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Latin America

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Daily Report
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Andean Parliament Asks for Debt Reduction

PY1507190089 Madrid EFE in Spanish 2015 GMT 14 Jul 89

[Text] Lima, 14 Jul (EFE)—Andean Parliament Chairman Wilfredo Lucero of Ecuador, has sent a message to the Group of Seven chiefs of state, who are holding a meeting in Paris. The message called for an urgent solution to the debt problem "that oppresses our economies."

In the message, sent to French President Francois Mitterrand last night, the Parliament asks that the debt bonds of the Andean Parliament "be accepted as their international market value and that they be treated just as our exports; i.e. that they be subject to the oscillations of supply and demand."

The message repeats Peruvian President Alan Garcia's suggestions made yesterday during the opening ceremony of the Third Extraordinary Session of the Andean Parliament, being held in Lima.

The Parliament also called for "a preferential treatment for the exports of the Andean countries (Bolivia, Colombia, Ecuador, Peru, and Venezuela) in the international market."

In the message, the Andean Parliament insists that the debt problem is not only financial, "and that in the current circumstances, the debtor countries cannot and should not honor this debt. We cannot agree to pay the foreign debt if our people must go hungry to do so."

According to the Latin American Economic System (SELA), there are currently 40 million unemployed people and 123 million destitute in Latin America.

The message signed by Lucero states that the Andean countries are ready to mobilize their congresses, labor unions, and people "until the conditions for the payment of the debt are modified."

The message also urges the political leaders of the developed countries "to accept international agreements that offer realistic and pragmatic solutions to the problems created by the foreign debt."

If this is not done, the message states, "serious political and social tensions will occur in the Andean region, and the survival of the democratic system will be endangered."

The message concludes by stating that now, as the bicentennial of the French Revolution is being celebrated and as the presidents of the world's wealthiest nations are meeting, it is important "to admit that an overall solution to this problem must be found and that this solution cannot fail to foresee treatments of specific cases."

Makes 'Important Decisions'

PY1607033089 Lima Television Peruana in Spanish 0100 GMT 16 Jul 89

[Text] The third special session of the Andean Parliament concluded today at the Crillon Convention Hall in Lima. Important decisions were made there concerning the foreign debt, the presence of foreign troops in Lebanon, and the Panamanian political situation.

The various committees discussed significant issues such as establishing a unified criterion by which Andean countries could formulate their foreign debt policies, and the Lima Declaration, which paves the way for all countries to have a clear common view of this problem.

The committees addressed highly significant topics such as the direct election of representatives to the Andean Parliament as it is done in Europe; an evaluation of the 10 years that have elapsed since the creation of the Andean Parliament; the creation of the Andean Human Rights Academy [Academia Andina de los Derechos Humanos] and of the Andean attorney for human rights [procurador andino de derechos humanos]; the implementation of the Quito commitment; the Andean Simon Bolivar University; the environmental university; the supervisory and monitoring role performed by the Andean Parliament; and the bases for a strategy designed to prevent and to stop the production, trade, and consumption of drugs.

The Lima Declaration states that in the past decade the Andean countries learned by experience that the foreign debt issue transcends the merely economic and that it requires political, economic solutions. The need for a combined political, economic review of this problem will result in an objective, realistic assessment of it and of its effects.

The Parliament sent a note to leaders of the Group of Seven who are meeting in France to demand that they seek a just solution to the debt problem.

The Andean Parliament, a legislative branch of the Cartagena Agreement, will also contact the region's debtor countries to urge them to find joint formulas for solving this serious problem.

The declaration also demands that all foreign troops withdraw immediately from Lebanon to restore peace and sovereignty in that area.

The committees also urged all parties involved in the Panamanian crisis to make an effort to restore democracy by averting any U.S. interference in that area while laying the groundwork for establishing democracy in Panama. Any U.S. militaristic attempt to intervene in the area must be rejected.

Issues Debt Declaration

PY1707204089 Madrid EFE in Spanish 1950 GMT 16 Jul 89

[Text] Lima, 16 Jul (EFE)—A general "moratorium" could "virtually" be declared in Latin America given the fact that at least 14 of the 26 member-countries of the Latin American Economic System (SELA) "are behind in their interest payments or have totally or partially suspended payments."

This was stated in the final declaration issued by the Third Extraordinary Session of the Andean Parliament in Lima today.

The communique states that the foreign debt is an economic-political problem whose responsibility must be assumed by both creditors and debtors.

The "Lima Declaration," released to the public yesterday at the conclusion of the Third Extraordinary Session of the Andean Parliament, states that the foreign debt is more than just an economic problem, and should therefore be mentioned in all international forums.

"It is necessary to call everyone's attention to the fact that the foreign debt has become a common interest of both the creditor and debtor blocs," the document states.

It adds: As a result of our conclusion, a document has been sent to the summit currently taking place in Paris among the seven most industrialized countries to demand "fair solutions" to the problem.

The document adds that the Andean Parliament, which is made up of congressmen from Bolivia, Colombia, Ecuador, Peru, and Venezuela, will urge the debtor countries to reach a joint stance to face the foreign debt problem "without ignoring the interests and priorities of each country."

The Andean group's overall debt amounts to more than $80 billion, while all of Latin America's foreign debt amounts to more than $400 billion.

The "Lima Declaration" states that the economic adjustments suggested by the creditor institutions are "perverse" and create "negative effects" in the economies of the debtor countries.

The statement notes that "it is senseless" to demand great sacrifices from our peoples in the name of plans "that have failed and in which no one, not even the creditors, believes."

The Andean Parliament document states that since 1982 Latin America and the Caribbean region have paid to the rest of the world net resources worth $178.7 billion, and will pay $200 billion in the eighties.

The declaration adds that the creditor countries have also lost money with the debt crisis due to the fact that they have stopped exporting an annual total of $300 billion to Latin America, with nearly a million U.S. workers losing their jobs as a result.

The Third Extraordinary Session of the Andean Parliament began on 13 July in Lima. An analysis of the foreign debt problem has been its main topic.

Foreign Ministers Meeting Set for 3-4 August

PA1407215989 Managua Radio Sandino in Spanish 1930 GMT 14 Jul 89

[Text] Costa Rican Foreign Minister Rodrigo Madrigal Nieto announced in San Jose today that a meeting of the Executive Commission of Central American foreign ministers has been scheduled for 3 and 4 August.

After bidding farewell to Guatemalan Deputy Foreign Minister Javier Rivera Madrigal, Madrigal Nieto said that among the topics they discussed was the possibility of holding the foreign ministers meeting in Guatemala prior to a regional presidents summit scheduled for 5, 6, and 7 August in the port city of Tela, Honduras.

Madrigal Nieto said the date is tentative because at about the same time a Latin American foreign ministers informal dialogue will be held in Cartagena, Colombia.

Costa Rican President Oscar Arias said the presidents summit will discuss such issues as the war in El Salvador, [words indistinct], the 1990 elections in Nicaragua, and the contras' demobilization, a subject in which the United States has great interest.

Cuba

Aftermath of 'Scandal' Involving Gen Ochoa

Castro Denies Health Problems

PA1507224089 Madrid EFE in Spanish 2007 GMT 15 Jul 89

[Text] Havana, 15 Jul (EFE)—Cuban President Fidel Castro last night denied that his health has suffered due to the scandal that broke out in Cuba when a group of officers were implicated in drug trafficking with the "Medellin Cartel."

New Interior Minister General Abelardo Colome said at the State Council on 10 July that the scandal had caused Castro much grief and that "I even think it has permanently affected his health."

During a reception hosted by the French Embassy on the occasion of the bicentennial of the French Revolution, Cuban leader Castro noted that his minister's remark was "unjustified" and attributed it to the fact that his minister "thought that this intense work, this tremendous amount of work might affect my health."

Fidel Castro personally directed the investigations on the relationhip between a group of Armed Forces members and Interior Ministry officials and international drug traffickers.

"I am trying to convince myself that (Colome) was totally wrong. I have felt very good," the Cuban leader stated in response to a newsman's question.

French Ambassador Jean Louis Marfaing met with Castro at the French Embassy, but their conversation was not disclosed.

The meeting was also attended by Vice President Carlos Rafael Rodriguez, Armando Hart, minister of culture and member of the Politburo of the Communist Party of Cuba [PCC], and Jesus Montane, member of the PCC Central Committee and Castro's assistant.

The daily GRANMA, the official PCC organ, published on its front page a brief note highlighting these words by Castro: "I regard the French Revolution as if today were 14 July 1789, the day the Bastille was taken. The Revolution's ideas are today as relevant as they were 200 years ago."

Argentine Publication Support

FL1407150689 Havana Radio Reloj Network in Spanish 1404 GMT 14 Jul 89

[Text] Once again, Cuba has given the world a great show of morality by publicly judging and condemning military chiefs for high treason of the fatherland, stated QUE PASA, organ of the Communist Party of Argentina.

The article, entitled "Cuba's Example," states that the condemned officers betrayed their people's confidence and jeopardized the Revolution's credibility.

The Argentine publication also states that imperialism knew about the corrupt group's activities, but preferred to allow drugs into their country to be able to begin a defamatory campaign against Cuba as part of their aggressive and hostile policy toward the Revolution.

The article in QUE PASA adds that the people who defend Oliver North, a man who dealt in drugs to obtain weapons for the Nicaraguan contras, have no right to criticize the Cuban Revolution.

Diocles Torralba Removed From National Assembly

FL1507133789 Havana Tele-Rebelde Network in Spanish 1300 GMT 15 Jul 89

[Text] The delegates of Palma Soriano's Municipal Assembly of the People's Government [AMPP], which is in Santiago de Cuba, approved Diocles Torralba's removal as that municipality's deputy to the National Assembly of the People's Government.

In an extraordinary meeting of the Palma Soriano AMPP—headed by Rafael Mora, president of the Palma Soriano AMPP Executive Committee—Torralba's removal was approved on the basis of his violating ethical, political, and administrative principles. These violations go against socialist morals and laws.

Castro at Reception Given by French Ambassador

FL1507112989 Havana Radio Reloj Network in Spanish 1102 GMT 15 Jul 89

[Text] Today, I see the French Revolution as it was on 14 July 1789, Bastille Day. Its ideas are as valid today as they were 200 years ago, said Commander in Chief Fidel Castro. The Cuban leader attended a reception given by Jean Louis Marfaing, French ambassador in our nation, in honor of his country's national holiday and the bicentennial of the taking of the Bastille.

Beforehand, the main ceremony for the 14 July celebrations given by the Cuban Friendship with the Peoples Institute was held at the Public Health Ministry. This ceremony was presided over by Carlos Rafael Rodriguez, member of the Communist Party of Cuba [PCC] Politburo. The universal values of the French Revolution, whose main objectives were to fight for fraternity, equality, and liberty, were noted by the French ambassador in Cuba. He also said that humanity is nearing those ideals whose purpose is to create a better world.

In the ceremony marking the 200th anniversary of the French Revolution, Jorge Enrique Mendoza, member of the PCC Central Committee, stated that the French Revolution was an example for the entire world. He noted the Haitian revolution, which was inspired by the French Revolution.

The president of the Cuban Institute of History said that 14 July 1789 nourished itself with moral justice and sacrifice, which are important revolutionary virtues.

Finally, in the ceremony held in Havana to mark the bicentennial of the French Revolution, Mendoza assured that the events of Bastille Day are the patrimony of the French people and that they have become an inseparable part of the human experience.

Ceremony Marks Sandinist Revolution Anniversary

FL1407133989 Havana Tele-Rebelde Network in Spanish 1100 GMT 14 Jul 89

[Text] The main event marking the 10th anniversary of the Sandinist revolution was held in the Universal Hall of the FAR [Revolutionary Armed Forces] in Havana. Armando Hart Davalos, member of the PCC Politburo, presided over the event while Commander Omar Cabezas represented Nicaragua.

During the event, Nicaraguan Ambassador to Cuba Gustavo Moreno Gutierrez, gave an extensive briefing on what the past 10 years of Sandinist victory have meant. He also condemned the constant aggression against his country by the United States, which, by supporting and financing a dirty war, has caused more than 59,800 victims.

The closing remarks were made by Armando Hart who stressed the ties of common history, the fight against the same enemy, and a new future that will unite Cuba and Nicaragua.

[Begin Hart recording] Today, it is worth stressing the immortal example of solidarity between the Cuban and Nicaraguan revolutions. Together we march as brothers in the past because Sandino was one of our greatest sources of inspiration and when the comrades from Nicaragua reigned in our country [pauses, corrects himself] when the Somozist system reigned in the country of our comrades, many of us here in Cuba—youths, students, workers, and peasants—hated Somoza as much as we hated Batista. [end recording]

Nicaraguan Envoy on Bilateral Relations

FL1407175389 Havana Radio Rebelde Network in Spanish 1700 GMT 14 Jul 89

[Text] With no other country in the world does Nicaragua have the same exceptional relations that it has with Cuba, said the Nicaraguan ambassador to Cuba, Gustavo Moreno Gutierrez, this morning during a meeting with national and foreign journalists on the occasion of the 10th anniversary of the establishment of bilateral relations. Moreno Gutierrez reviewed in detail the historic ties that unite us and he explained the grave situation that the brother country is currently experiencing because of the state of war imposed upon it by the United States.

In reference to the current economic situation in Nicaragua, Moreno Gutierrez said that the Nicaraguan revolution may not be able to show many achievements this year but it can show, above all to the United States, a democratic and peoples' process that cannot be sold for dollars or economic assistance with strings attached.

The Nicaraguan ambassador to Cuba later said that next year's elections will be open for observation to any commission that wants to visit the country but not to any group imposed by the United States or its satellite territories.

UNITA Admits to Cease-Fire Violations

FL1407213689 Havana Radio Reloj Network in Spanish 1943 GMT 14 Jul 89

[Text] The representative of UNITA [National Union for the Total Independence of Angola] in Portugal, (Alcides Sacada) admitted to the organization's violation of the cease-fire which was agreed upon at the African Leaders Summit in Gbadolite, Zaire. In a news conference, (Sacada) said that disagreements exist between UNITA's leadership and its units, and that there is a lack of contact, according to press agencies.

Meanwhile, Angolan President Jose Eduardo dos Santos announced his desire to continue negotiations with UNITA; at the same time, he presented a proposal for the reintegration of citizens into the country who wish to partake in the national rebirth.

At the United Nations, the problem of the Angolan reconciliation was also analyzed by a group of African countries which urged peace and the cessation of foreign intervention in the internal affairs of that nation.

Ambassador to UN Denounces Actions in Namibia

FL1507121489 Havana Radio Reloj Network in Spanish 1107 GMT 15 Jul 89

[Text] Cuban Ambassador to the United Nations Oscar Oramas informed the Security Council that Cuba is worried about the repressive actions being carried out by the (Cueohet) and the South African police against the Namibian people.

Oramas reiterated the Cuban denunciation that, recent, Namibians have been migrating to Angola as a result of the repressive actions by the South African units. The Cuban report to the UN Security Council on the Namibian situation coincides with confirmed reports of abuse and murder of SWAPO [South-West African People's Organization] sympathizers committed by ex-members of the (Cueohet) and the South African police. These actions have been taking place in Ovambo district.

The Namibian patriotic organization has also denounced the mismanagement of electoral registrations which would permit 40,000 South Africans to vote in the November elections.

Namibian Students To Participate in Elections

FL1707150189 Havana Tele-Rebelde Network in Spanish 1100 GMT 17 Jul 89

[Text] Over 1,500 Namibian students have left for their country to participate in the SWAPO [South-West African People's Organization] electoral campaign and in the 1 November [date as heard] elections. Many of them have not heard from their dear relatives for over 10 years; apartheid stole from them the maternal kiss, paternal advice, and made them go far away from the land where their best friends remained—some dead, others alive. Who knows?

[Begin recording] [First unidentified speaker] I will take all the experience I have gained here so that, in one way or another, Namibia will take a giant step toward progress. I will do it so that Namibia will lead in the struggle for peace, not only for the peace of southwest Africa, or continental Africa, but also for the entire world along with other friendly nations such as Cuba, the USSR, and the other progressive countries.

[Second unidentified speaker] I feel very happy, and I take with me a lot of experience from Cuba—everything the Cubans and teachers have taught me, what I have studied. Everything I know about life, I went through it here, I learned it here.

[Third unidentified speaker] We would like to use your media to send a warm greeting to Commander in Chief Fidel Castro. We, the Africans, are very good friends with Cuba. Especially, we, members of SWAPO, express our solidarity, the feelings of all our students and youth who are here. [Group of students in background shout: Long Live Cuba! Viva! Long Live Commander in Chief Fidel Castro! Viva! Fatherland or death, we shall win!] [end recording]

As they reunite with their own people, they leave behind Cuba, a country they learned to love as their second fatherland. Education Minister Jose Ramon Fernandez went to the Jose Marti International Airport, in our capital, to bid farewell to those who we also consider our brothers.

Brazilian Culture Minister Meets Fidel Castro

FL1407210089 Havana Radio Reloj Network in Spanish 1932 GMT 14 Jul 89

[Text] Jose Aparecido de Oliveira, culture minister of Brazil, said today that from the moment he arrived in Cuba he began to feel the vitality of the Cuban Revolution, which has existed for 3 decades and has attained unprecedented economic-social achievements.

The Brazilian official, who paid a 4-day visit to our country, was bid farewell at the Jose Marti International Airport by Armando Hart Davalos, member of the [Communist Party of Cuba Central Committee] Politburo and minister of culture. Just before his departure, Aparecido de Oliveira said how happy he was to have met with Commander in Chief Fidel Castro, who, he said, was in very good condition and maintains his usual optimism to brilliantly undertake new projects. The Brazilian culture minister said that Fidel extensively briefed him on the historic ties between Cuba and Latin America, and he added that Fidel also spoke about the internationalist work carried out by our combatants in Angola.

Escandel Meets With Union Leader in Berlin

FL1407221989 Havana Radio Progreso Network in Spanish 2230 GMT 13 Jul 89

[Text] Harry Tisch [chairman of the Free German Trade Union Federation], highest labor leader of the GDR, and Jesus Escandel of the National Committee of the CTC [Central Organization of Cuban Trade Unions] today in Berlin exchanged opinions on the preparations for the 12th World Trade Union Congress.

The two leaders also analyzed the role and the importance of union organizations in socialist countries especially during the current process of renovation that those countries are going through. Escandel informed Tisch about the preparations that are being carried out in Cuba in anticipation of the 16th Congress of the CTC which will be held from 24 to 28 January [1990] in Havana.

Vice Foreign Minister on Relations With UK

FL1507144989 Havana Radio Reloj Network in Spanish 1402 GMT 15 Jul 89

[Text] Jose Raul Viera, first vice foreign minister, said that existing relations with Great Britain are good. He also stated that there is mutual interest in increasing bilateral economic and cultural relations.

The Cuban first vice foreign minister was invited to participate in a conference, held in London, on U.S. policy toward Central America. This conference was organized by the British Foreign Ministry. Viera stated that during his official visit, the talks held with British officials showed their interest in maintaining these ties without interruption.

Viera also told the press that both parties expressed their willingness to increase cultural and economic relations, especially those related to commerce and tourism.

Upon referring to Latin American integration, Viera expressed his optimism because, as he said: Latin America is considerably more independent now than it was 20 years ago, and relations within the region are increasing.

Soviet Linemen Receive Council of State Award

FL1507185689 Havana Tele-Rebelde Network in Spanish 1700 GMT 15 Jul 89

[Text] The Labor Achievement Medal, which is given by the Council of State, was awarded to nine Soviet linemen who, since last year, have helped establish electrical lines in the Sierra Maestra.

Pedro Miret Prieto, member of the Communist Party of Cuba [PCC] Politburo, and Division General Ulises Rosales del Toro gave this group their awards. In the ceremony, held at MINBAS [Basic Industry Ministry] headquarters, Lidio Ramon Perez, of the Electrical Union, talked about the work done by these men.

[Begin Perez recording] These men have left an indelible track in our country, not just because of their attitude, but also because of their work. It is necessary to say that, thanks to their work, 13 towns—which comprise over 1,000 houses—have electricity today. To achieve this, they installed over 65 km of lines and over 20 transformer units. All of these towns that now have electricity are in our glorious Sierra Maestra. The work done by this brigade and the group of Cubans that accompanied them has permitted the national electrical system to come within 17 km of Turquino Peak, symbol of liberty and rebellion in our country. [end recording]

National Assembly To Begin Session 17 July

FL1507181689 Havana Radio Rebelde Network in Spanish 1700 GMT 15 Jul 89

[Text] Next Monday [17 July] the Fifth Regular Session of the National Assembly of the People's Government's [ANPP] Third Legislature will begin at Havana's Palace of Conventions. The Construction Ministry and Ciego de Avila Province will give reports on the progress they have made.

In its report, the Construction Ministry will inform the deputies of the deficiencies that still exist in that ministry, as well as the advances they have made as a result of the rectification process.

Ciego de Avila will inform the deputies on the province's transformations which have resulted from the Revolution's works, especially during the years of people's government which coincided with Ciego de Avila's emergence as a province—a result of having divided the previous political administration.

Likewise, the ANPP will also discuss four other matters including: reports given by the people's top tribunal and the Republic's general prosecutor's office, as well as reports given by organs that will center their evaluations on the results of the implementation of new legal codes.

Although not on the ANPP's agenda, the assembly will probably dedicate some time to the aspects related to the recent events that have occurred in our nation and held our people's attention.

Castro Attends Session

FL1707145389 Havana Radio Reloj Network in Spanish 1402 GMT 17 Jul 89

[Report by Graciela Hernandez]

[Text] With the participation of Commander in Chief Fidel Castro, president of the Councils of State and Ministers, the Fifth Regular Session of the Third National Assembly of the People's Government [ANPP] has begun in Havana's Palace of Conventions. All members of the Council of State, organ which operates between ANPP sessions, also are seated on stage while Acting ANPP President Severo Aguirre del Cristo and ANPP Secretary Ernesto Suarez are chairing the session of the highest state governing body. Today's agenda includes the Construction Ministry's report.

Among the topics that will be discussed and analyzed by the deputies attending the Fifth ANPP Session are the reports by the Attorney General's Office and the Supreme People's Tribunal.

The ANPP today held a moment of silence in tribute to national poet Nicolas Guillen who died yesterday.

At the beginning of the fifth regular session, Acting President Aguirre del Cristo mentioned the recent events and he noted the well-deserved punishment imposed upon the traitors. Those evildoers, stressed Aguirre del Cristo, struck us a severe blow but we knew how to clean up the stain. Aguirre del Cristo suggested the application of more drastic laws against drug traffickers. During his opening remarks, the ANPP acting president said we should use our vanguard workers as a model so that no blemishes can ever again marr the genuine purity of our just and humane Revolution.

MICONS Minister Gives Report

FL1707185289 Havana Radio Rebelde Network in Spanish 1700 GMT 17 Jul 89

[Text] The Fifth Regular Session of the Third National Assembly of the People's Government [ANPP] has begun its meeting with a moment of silence in tribute to national poet Nicolas Guillen who died last night. With Commander in Chief Fidel Castro in attendance, the ANPP is holding its meeting at the Palace of Conventions.

After having reported the attendance of 478 delegates, Acting ANPP President Severo Aguirre del Cristo recalled the recent events that have taken place in our country which were led by a group of former Revolutionary Armed Forces and Ministry of Interior officers. With regard to this, he pointed out that laws should be more drastic so that things of this nature do not occur again.

The objective and critical presentation of the Ministry of Construction [MICONS] report by its chief, Homero Crabb Valdes, began the debates which are currently being discussed by the delegates. In his report, Crabb Valdes referred to the projects which were completed in time for the assessment reports of the assembly. He emphasized the continuous attention given by the commander in chief in construction activities. He also referred to the consumption and economizing of materials.

[Begin Crabb Valdes recording] The fundamental materials—cement, wood, and steel—should be rationed by taking the following measures: increase the use of additives in concrete; use [word indistinct] carpentry, light ferrous materials and aluminum; use shuttering, as well as metallic and mixed [word indistinct], mixing it with wood; cover wood with a protective layer that will extend its life; increase the use of reinforcement cement to 40; and increase the use of prestressed concrete structures. [end recording]

After statements were made by various delegates regarding the report, Comrade Fidel Castro spoke. He termed the report as very critical and representative of reality.

[Begin Castro recording] The economizing of cement is becoming more and more important. Just notice how much used to be wasted! I think the achievement of the MICONS has been noteworthy. In comparison to 1988, the ministry has gone from 38 cubic meters of wood by cubic meters of concrete to 23.2 cubic meters, today. [sentence as heard] That is incredible progress! If the ministry maintains that rate, we will be able to build more, because it is becoming more and more difficult for us to obtain wood. Furthermore, that is a product that cannot be obtained with convertible currency. There is no money. We cannot even dream about looking for that material with convertible currency! We have to make good use of what the country produces, what comes from the Soviet Union—if it arrives on time, which is not always the case. Sometimes we have problems with that. So, it is extremely important for construction to economize on wood. [end recording]

Today's agenda includes the ratification of draft laws in accordance with the Council of State [word indistinct], as well as the report of the Attorney General's Office and of the Supreme People's Tribunal. This regular session of the ANPP will end tomorrow when we will have heard, among others, the reports of Ciego de Avila Province, and the document which summarizes the activities of the provincial assemblies.

Raul Castro Attends Children's Day Ceremony

FL1707133089 Havana Tele-Rebelde Network in Spanish 1100 GMT 17 Jul 89

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee, has presided over the main ceremony for the National Children's Day at the Ernesto Che Guevara Central Pioneers Palace. Outside the program, Castro briefly addressed the participants in "To Those Who Know How To Love" [name of program].

[Begin recording of Raul Castro who is shown holding pink slippers] Thank you for these pink slippers that you present for the first time, and that you present to me. You are our hope; you are the ones who know how to love; and you are also the purest thing we have. Thank you very much. [applause] [end recording]

Raul, Vilma [Espin], and other leaders and personalities attended the ceremony in which the magic of children's imagination revived personalities such as Menique, La Muneca Negra, and Nena Traviesa which were created by our national hero 100 years ago. Along with them, Elpidio Valdes, La Calabazita and other figures of our children's world were also incorporated into the activity.

The main ceremony for Children's Day was dedicated to the 100th anniversary of the Golden Age and to the 10th anniversary of the Ernesto Che Guevara Central Pioneers' Palace.

Conference on Labor Accidents Begins in Havana

FL1407154689 Havana Radio Reloj Network in Spanish 1410 GMT 14 Jul 89

[Text] Today the National Meeting on Labor Accidents will begin in Havana. The main purpose of the meeting is to find effective measures that will guarantee a reduction of on-the-job accidents.

The conference will review preventive processes developed in the nation, especially by the enterprises that have major deficiencies in that area. The meeting will also outline measures to create preventive and educational habits in workers.

Pedro Ross Presides Over Meeting

FL1507140289 Havana Tele-Rebelde Network in Spanish 1300 GMT 15 Jul 89

[Text] With the participation of almost 700 delegates from the entire nation, the first National Meeting on Labor Accidents was held in Havana's Ascunce Domenech Theater.

Also present at the meeting were representatives from the CTC [Central Organization of Cuban Trade Unions], MINSAP [Public Health Ministry], MININT [Interior Ministry], and other state organs.

With the motto: Labor Protection and Hygiene, Tasks of Priority; the necessary measures to eliminate all minor and fatal accidents from the work place were approved. The delegates also discussed the role played by leadership councils, as well as the state of individual protection measures.

The meeting was presided over by Lionel Soto and Pedro Ross, secretaries of the Communist Party of Cuba Central Committee, and other leaders. Ross heads the organizing commission for the 16th CTC Congress.

Rural Medicine Congress To End 14 July

FL1407161689 Havana Radio Reloj Network in Spanish 1420 GMT 14 Jul 89

[Text] Cuba's experience with the family doctor program, eloquent example of medical assistance, was the main subject discussed by a panel of the Sixth Latin American Congress on Rural Medicine. Over 300 delegates are participating in this conference.

In the meeting, which is being held in Santiago de Cuba, doctors and nurses outlined the main advantages offered by the family doctor system, as well as the attention this system gives to nourishment programs. In these programs, Cuba is a vanguard nation, even when compared to developed countries. The reason for our nation's success in the family doctor program is that there are professionals participating in it. So far, the program has 66 rural hospitals, over 700 family doctors, and clinics in the mountainous regions of the nation.

The scientific meeting which began in Santiago de Cuba on 11 July and will conclude today is a pillar of support for this part of the medical sector and will help achieve health for everyone by the year 2000.

Inspection of Eastern Army Ends 11 July

FL1307125089 Havana Television Service in Spanish 0000 GMT 13 Jul 89

[Text] The ministerial inspection of the Eastern Army conducted by the Revolutionary Armed Forces [FAR], which began on 4 July to observe the military training of its units, has concluded. The FAR ministerial commission that is evaluating the defense training status of the Eastern Army conducted an assessment prior to the inspection in Holguin Province.

From 4 to 11 July, the large units of the military command, as well as different defense aspects in the provinces of Guantanamo, Granma, Santiago de Cuba, Holguin, Las Tunas, and Camaguey, were inspected.

The commission was comprised of representatives from the Military Department of the Central Committee of the Communist Party of Cuba, the organs of the State Central Administration, and practically all special departments of the MINFAR [FAR Ministry]. Special attention was paid to the training of all the people and the economy for defense purposes, the organization of administrative and command systems, reforestation, the creation of all kinds of reserves, and combative readiness for defense.

According to the prior assessment conducted by the commission, substantial advances were observed in defense preparation from 1986 to 1987 when the six provinces were declared ready for the defense, first stage, and attained favorable marks in reference to the state of combative readiness of the large units of the army and the development of their basic study material. In this regard, Division General Ramon Espinosa Martin, chief of the Eastern Army presented the FAR chief of staff, Division General Ulises Rosales del Toro, a check in excess of 190,000 pesos which demonstrates the overfulfillment of the Eastern Army command in financing the Territorial Troops Militia.

UJC Celebrates 25th Anniversary in Military

FL1407180489 Havana Tele-Rebelde Network in Spanish 1700 GMT 14 Jul 89

[Text] The 25th anniversary of the Union of Young Communists [UJC] establishment in the Revolutionary Armed Forces [FAR] has been celebrated in Villa Clara's Ernesto "Che" Guevara Plaza. This part of the Central Army's territory was chosen to host the ceremony because of the successful accomplishments it has had in youth labor activities and the emulation process that has been maintained by the three armies.

Several of the men who initiated the UJC's incorporation into the FAR received certificates of recognition. Likewise, 25 noted youth leaders received the FAR Distinguished Service Order, while other combatants received their UJC organization identification cards.

Citizens Arrested for Forgery Admit to Crimes

FL1407230989 Havana Radio Progreso Network in Spanish 2230 GMT 14 Jul 89

[Text] Members of the National Department of the Fight Against Economic Crimes have discovered the illicit activities of two citizens. They are Silvio de la Caridad Valdes Pereira, resident of No 442 Pilar Street between Isabel and San Agustin Streets in Parraga neighborhood, Arroyo Naranjo Municipality, and Raymundo Silvio Valdes Pereira, resident of Pasage No 254 between Pilar and Enrique Streets who is also store administrator and chief of the specialty market located on the Cerro y Penon Road in El Cerro zone.

According to the investigations carried out, it was discovered that the two individuals had illegally obtained 12 boxes of El Buono olive oil produced in Argentina and 27 boxes of imported peaches in order to sell them to the customers of the aforementioned business. In the same manner, and in mutual agreement, they forged the invoices sent to the store to which they omitted and altered the merchandise amounts in order to evade possible inspections.

After having been taken to the police station in El Cerro, they admitted to their crimes. For now, they are in a temporary prison [prision provicional] until the police investigation is complete. Then, they will be turned over to the respective tribunal which will judge and sentence them for this crime of forgery and abetment [receptacion].

Citizens Accused of Production, Sale of Lamps

FL1507021089 Havana Television Service in Spanish 0000 GMT 15 Jul 89

[Text] Citizens Jose Maria Piloto Perez and Alexis Cardoso Perez have been accused and are awaiting to be sentenced for the production and sale of ceiling lamps.

During a house search of Cardoso Perez, a 35-year-old man who resides in Arroyo Naranjo, officials seized 1,183 plastic lamp shades, 1,929 [words indistinct], 88 blades for marquetry saws, 102 fretsaw clasps, and a medium-sized box which contained granulated plastic that was used as raw material.

Jose Maria Piloto Perez, who is 49 years old and resides in Boyeros Municipality, was unemployed, and Alexis Cardoso was a worker at the provincial gastronomy enterprise in Havana City. The two citizens are awaiting to be sentenced for these crimes by the respective tribunal.

Haiti

Avril on Security, Narcotics, Dominican Ties

FL1507011089 Port-au-Prince Radio Metropole in French 1045 GMT 14 Jul 89

[Excerpts] General Prosper Avril has granted some Dominican journalists an interview. My government's most difficult moments are now past, and military discipline has been reestablished, the general confided to the Dominican journalists. [passage omitted]

This is what Gen Prosper Avril said in an interview to Dominican journalists carried in the Dominican press yesterday. The president of the military government also denied the reports carried in the international press to the effect that he was not in a position to guarantee the security of all Haitians, nor even his own. He did, however, acknowledge that this had taken some time. Nevertheless, 3 months after the attempted coup against his government, the hierarchy has been reestablished, discipline has been maintained, and the most difficult moment is past.

In this interview, Gen Avril clearly indicated the urgent need to obtain international aid to ensure the transition to democracy in Haiti—a democracy for which I have been fighting ever since I came to power after the 17 September coup d'etat, Avril confided to the Dominican journalists. For us, there is no development without democratization, he stressed.

Prosper Avril, who did not give a date for the next elections in Haiti, said the formation of the Electoral Council was a decisive factor in this electoral process. The Electoral Council is working so that elections can be held soon.

Avril also confided to the journalists that there was less of a drug trafficking problem in Haiti today than before. He also affirmed that he was working to consolidate the results of his efforts to control drug trafficking in Haiti.

Regarding the Haitians working in the canefield camps of the Dominican Republic, the general explained that the problem was currently being studied through bilateral negotiations. Gen Avril also said that it was in his interests, as well as in the interest of Dominican President Joaquin Balaguer, to arrange a meeting to discuss bilateral matters of common interest.

The desire is there. We are in agreement, and the date for this meeting remains to be set by the two Foreign Ministries, the president said to the Dominican journalists.

Regarding this meeting desired by Gen Avril, it should be noted that a journalist from the Dominican daily EL NACIONAL recently took the Haitian president to task for having sought an interview with Dominican President Balaguer. This is reported on the front page of the latest edition of the weekly HAITI-OBSERVATEUR.

Parties React to Death of Gregory Delpe

FL1507002389 Port-au-Prince Radio Haiti-Inter in Creole 1000 GMT 12 Jul 89

[Excerpts] There has been much reaction to the murder of Gregory Delpe at his home by a group of thugs.

Here is the MPP's [Papaye Peasants Movement] reaction: It is with great sorrow that we of the MPP learn of the deaths of valiant young men like Gregory Delpe.

Considering that this problem of insecurity is part of the plan of the macoutes in Haiti to kill off all the militants in Haiti; considering that General Avril's government dislikes democrats and is closing its eyes to all the criminal acts the macoutes are committing; considering that the 17 September movement enlisted men were disarming all the macoutes in Haiti but the general put an abrupt stop to it; considering that this kind of climate of insecurity arises every time there is going to be a rigged election; and considering that the government's reaction to the death of Gregory Delpe is very strange, we of the MPP declare that the government of Gen Avril is the author of all these criminal acts of insecurity that are debasing Haiti. This is one of the reasons he got rid of all the 17 September movement enlisted men.

For this reason, we hasten to call on all the popular organizations and political parties in the four corners of Haiti to hasten to form vigilance brigades so that we can defend ourselves from macoutes in Haiti.

That was a press release from the MPP.

Also, the student association of the pilot center [centre pilote; not further identified] says: We are very sorry to learn of the death of Gregory Delpe, a technician and member of Feneh [National Federation of Haitian Students]. [passage omitted] We think this death is part of the American plan, a plan to eliminate, destroy, all thinkers in little countries. This death is part of the government and the big countries' need to eliminate all staunch militants in Haiti. Thus, the pilot center's students association thinks the only way to stop this hemorrhage of bloodshed in the underprivileged sectors is for all organizations and staunch militants to work to set up the organizations that the masses do not have. This has now become a need.

The Nationalistic and Progressive Revolutionary Party of Haiti, Panpra, says that the violence has become intolerable these last few days. [passage omitted] In the provinces, there are two kinds of violence: one with no face—meaning its authors cannot be identified—such as, for example, the fires that have broken out in Cap-Haitien and Saint-Marc; and another that is being spread by the military themselves, such as what is happening in a large portion of the Department of the North.

In Limbe, the seventh section of Limbe, Pilate, Borgne, (Ti Bouc au Borgne), and so forth, there is real repression against the population. A veritable climate of terror has been established against the population. In Limbe, young men cannot even meet the military commander's gaze, or they will be beaten. In Pilate, on the pretext that young people are in contact with progressive leaders, the section chiefs and the military are raining blows on everybody, beating them at the drop of a hat. In the (Ti Bouc au Borgne) area, there are military raids to prevent peasants groups from assembling.

All these acts show that while, on the one hand, the head of the military government is making pretty speeches, on the other hand, certain members of the Armed Forces are being repressive. [passage omitted] What all of public opinion finds revolting are the maneuvers by the police in connection with the body of Gregory Delpe, who was murdered. Such behavior indicates that the police do not intend to arrest the real criminals. [passage omitted] This press release is signed by Serge Gilles, for Panpra.

The KID [Confederation for Democratic Unity] says: KID asks the Haitian people to rise up against insecurity. [passage omitted] KID thinks the police's maneuvers of trying to lay the blame for Gregory Delpe's murder on a member of the Delpe family is a message that should make everyone understand that it is the government that is principally responsible for the insecurity. Not only does the government do nothing to protect the Haitian people from criminal thugs but it even turns itself into a defense lawyer to defend criminals.

KID wants the entire Haitian people to remember that fear was the greatest weapon of the Duvalierist government. Today, we see that the bigshots, enemies of democracy, have gotten together to try to destroy the people's struggle through all kinds of vile manuevers aimed at sowing confusion, division, and fear. These manuevers even include muzzling—in the way the church hierarchy is sweeping out Radio Soleil—and the terror the Army is sowing in Labadie, and so forth.

For this reason, KID asks the Haitian people to rise up against insecurity. Once again, set up vigilance brigades all over the place. This is the only way we will be able to stop counting dead bodies.

KID is ready to cooperate with all sectors among the Haitian people that want to struggle against insecurity. It should be clear to everyone that this is not a problem that can be solved through press releases alone.

KID doffs its hat respectfully to the Delpe family and all the other victims of insecurity. It asks everyone who is more concerned with the nation than with coming to power through rigged elections, more concerned with organization than with candidacies, to, out of solidarity, attend Gregory Delpe's funeral at Sacred Heart Church at 1600 on Wednesday 12 July, to show the enemies of the people that Turneb Delpe is not alone.

The press release is signed for KID, by (Louis Emilio Passe) and (Evans Paul), also known as K. Plim. [passage omitted]

Students To Continue Struggle

FL1507000589 Port-au-Prince Radio Metropole in French 1045 GMT 13 Jul 89

[Excerpts] Several thousand people peaceably attended yesterday afternoon the funeral of Gregory Delpe at Sacred Heart Church in Turgeau. [passage omitted] Gregory Delpe was the brother of Turneb Delpe, secretary general of the PNDPH [National Democratic and Progressive Party of Haiti] and a member of Feneh [National Federation of Haitian Students]. [passage omitted] [Reporter] Marcus Plaisimond attended this funeral yesterday.

[Plaisimond] [Passage omitted] The many students present paid a resounding homage to their fellow student, whose coffin was draped in the Feneh flag. The students carried placards severely criticizing the military government and police and denouncing the climate of insecurity, which has already left eight victims so far this month.

It was in a church bursting at the seams with people that Clarel Delpe, one of the deceased's brothers, and the students reiterated their determination to continue the struggle that was being waged by Greg, who fell victim to this new series of awful events, 1989 edition.

[Begin Clarel Delpe recording] [Words indistinct] never protects the population. It is the population that organizes to provide its own security. It is the (?owner of the body) who watches out for the (?body). You shouldn't wait until you are dropping from sleepiness to prepare your bed.

Inside your houses, provide security for yourselves. Provide security for yourselves in your neighborhoods.

That is why we are crying out loudly: Long live the people's vigilance brigades. Long live the student organizations.

Gregory, you fell to the bullets of the thugs, but you have not died in vain. Your blood will serve to cement the students to the population struggling to put an end to this, because this has to stop! [end recording]

[Plaisimond] Thousands of people awaited the funeral procession along the way to the cemetery with tears running down their faces. Indignant, they were unable to resist chanting along with the students: Vigilance brigades! [passage omitted]

CEP Meeting With Political Leaders Scheduled

PDCH Presents Grievances

FL1307154989 Port-au-Prince Radio Metropole in French 1045 GMT 11 Jul 89

[Excerpts] Sylvio Claude's PDCH [Haitian Christian Democratic Party] has expressed its grievances to the members of the Provisional Electoral Council [CEP], who have announced that they will be meeting with political leaders this week.

In a press release in response to the CEP's invitation and signed by PDCH First Secretary General (Joachim Pierre), Second Secretary General (Charles Menard), and Assistant Secretary (Daniel Charles), and regarding the invitation, the PDCH reminds the nine CEP wise men that they should have democratically thought to submit the draft of the CEP's organic law to the different sectors concerned before submitting it to the government for approval and ratification. This would have attested to a certain amount of independence, the PDCH says.

Regarding the future, the party warns the CEP against any inclination to separate the legislative elections—that is, elections for deputies and senators—from the presidential elections, as it is rumored in the wings of government that they are planning to do. [passage omitted]

The PDCH also calls public opinion's attention to the discriminatory attitude of the members of the CEP in their meetings with different sectors of the population. They began visiting and canvasing socioprofessional organizations and labor union federations at their respective headquarters a few weeks ago. They also met with political figures in both the capital and provincial towns. Contrary to these earlier initiatives, they have now decided to invite political parties and groups to meet with them at their headquarters at the Legislative Palace, upon appointment at the suit of the political parties and groups. However, they are forgetting that it is the political parties and groups that under the terms of Article 31, paragraph 1 of the Constitution of 1987 and Article 1 of the law of 31 July 1986 on political parties, combined, are most—if not exclusively—empowered to concur in the expression of the vote and to orient the expression of the popular will during elections.

The PDCH also calls the attention of political parties that are clearly struggling to bring about a real change in the intolerable situation of the Haitian masses to the trap these discrete, individual, consultations—announced without any prior list of references—conceals. It encourages the political parties to instead reach a consensus on a discussion with the committee [le comite] based on concrete data in order to (?instead) come up with a consensus on fundamental proposals aimed at the general electoral interests (?concerning) all national sectors within the framework of the Constitution.

MOP, PUCH To Not Participate

FL1507013589 Port-au-Prince Radio Metropole in Creole 1045 GMT 14 Jul 89

[Excerpts] Today is the final day of the meetings between the Provisional Electoral Council [CEP] and political leaders. After Hubert de Ronceray and the Reverend Dumas J. Arnold, Gregoire Eugene in turn recommends to the CEP that elections be held quickly.

In order to make his recommendations to the CEP, Eugene, president of the Haitian Social Christian Party, PSCH, analyzes General Prosper Avril's latest statements made in an interview with National Haitian Television.

Eugene calls the CEP's attention to the danger of a general upheaval and, in the final analysis, the possible emergence of a dictatorship of the Right or Left, which is weighing over the nation because of this indeterminable transition period and the fact that a de facto government with no popular legitimacy has confiscated power.

Gregoire Eugene feels it is obvious that by advocating the adoption of an electoral calendar beginning from the bottom up, the government intends to put off for as long as possible the holding of legislative and presidential elections, thus continuing to perpetuate the accomplished fact of having accumulated the great government powers.

Although he does not claim that all the conditions for the faultless organization of ideal elections are present, the president of the PSCH maintains that on the basis of concerted action by the CEP and the military government, on the basis of a true desire for democracy by both of these parties, elections unlike the 29 November 1987 tragedy and the 17 January [1988] farce can be held. [passage omitted]

The central political bureau of the Movement for the Organization of the Country—formerly called Workers and Peasants Movement—MOP, the party of the democratic national masses, expresses its astonishment at seeing the CEP allow itself to issue over the radio an invitation to political parties to contact it. MOP feels that common courtesy in this particular case would have dictated that the CEP send letters to political leaders giving them definite appointments. Therefore, MOP rejects such practices as this, coming from an institution that must be capable of mastering administrative forms and giving proof of sobriety, competence, and objectivity. Such practices do not fit in with the MOP's dignity. Furthermore, the MOP asks itself three questions: What political maneuver lies hidden behind such machinations? What party is being targeted? And, the third question: By issuing an invitation in this manner, is the CEP thus envisioning the usual mess?

MOP will therefore not accept this invitation, and it asks the Haitian people to please note the MOP's position. [passage omitted]

For its part, the Unified Party of Haitian Communists [PUCH] will not accept the CEP's invitation. The PUCH is not going to participate in these meetings, because it did not receive an official and personal invitation. Like the MOP, the PUCH says it only heard the invitation over the radio.

The forecast of the political climate: Louis Dejoie predicts a storm in all sectors of the national life.

In its bulletin on the nation's political situation, Dejoie's party [the National Agricultural and Industrial Party, PAIN] predicts a storm. According to the PAIN, the nation's political situation is characterized by wrath.

Peasants are angry over section chiefs' exactions; laborers and salaried employees are angry over the high cost of living; students and teachers are enraged by the murder of young Gregory Delpe within the framework of the current wave of insecurity; both small- and big-time merchants are enraged by the nation's economic stagnation; the faithful of the grassroots church have been furious since the stifling of the comforting voice of Radio Soleil; and the political parties too are angry.

Without specifying when this storm will hit Haiti, the PAIN wonders anxiously if the de facto government is capable of setting up a national pre-disaster organization. (?If it is, it had better get busy.)

Leaders Make Recommendations

FL1507005689 Port-au-Prince Radio Metropole in French 1045 GMT 13 Jul 89

[Excerpts] The Electoral Council [CEP] is discussing elections with political leaders at the Legislative Palace. The nine CEP members have been receiving visits from leaders of political parties and representatives of popular organizations since last Friday and will continue to do so through 14 July. The goal of these meetings is to obtain suggestions and recommendations from the political class to prepare a definitive election calendar, for elections to be held sometime soon.

In an earlier statement, the CEP's secretary general had said these meetings were open to all parties and organizations, regardless of ideology.

A total of more than 15 political personalities and members of popular organizations have already met with the CEP. [passage omitted]

Hubert de Ronceray [of the Mobilization for National Development, MDN] recommends to the CEP that it review its strategy in the electoral process so as to adapt it to the urgency of the moment. The plan to hold elections in two steps should now be brought back to holding the legislative and presidential elections—exclusively—before the end of 1989.

The MDN feels the elections for Casecs [Administrative Councils for the Communal Sections] and for mayors can wait a bit, since there are no voids at those levels. [passage omitted]

Here is Hubert de Ronceray, after his meeting with the CEP.

[Begin De Ronceray recording] [Passage omitted] As an ensemble, the CEP members say they want to organize elections, but they are at grips with the time factor. It is our impression that what is missing most is determination. [end recording]

Reverend Dumas J. Arnold's [name as heard, also known as Arnold Dumas] PNDT [National Party for the Defense of the Workers] has also made recommendations. He recommends that funds be collected from Haitians (?and volunteers) throughout the nation's nine geographical departments and abroad, through the embassies and consulates, during the months of August, September, and October 1989, with a view to rendering operational the CEP's sacred treasury. [sentence as heard] The PNDT asks that the members of the (?electoral) offices be recruited by organizing seminars in the months of November and December, with a view to organizing, prudently, free and honest elections. [sentence as heard]

Third, Arnold recommends that the election campaign for Casecs [Administrative Councils for the Communal Sections] and for city hall be authorized for January 1990. He also recommends that the presidential campaign be held during the months of May, June, and July 1990, with the date for the elections set for whenever the CEP and the nation's authorities, jointly, wish.

Organization Makes Recommendations

FL1507014689 Port-au-Prince Radio Nationale in Creole 1300 GMT 14 Jul 89

[Text] The leadership committee for the organizations for the defense of the densely populated neighborhoods of Haiti [oganizasyon pou defann katye popileu dayiti yo], as the defender of the development of this underprivileged population, has put in its word on the general elections that Lieutenant General Prosper Avril's government and the members of the Provisional Electoral Council [CEP] have announced.

(?Back since) the elections in Haiti on 29 November 1987 and 17 January 1988, it (?has been) necessary and urgent for the heads of the nation's principal institutions to demand of the government, through the Ministry of Justice and the police, proper guarantees for the security of the Haitian people's lives and property, as well as to demand guarantees that elections will be held without problems on the scheduled dates.

ODKPH [expansion not provided] explains (?that) what it means by guarantees (?is that) the current CEP should have a corps of election police under its control. The mandates of the members of this corps would end with the election.

Regarding the date of the elections, given the political instability preventing the proper functioning of the social, economic, and political [word indistinct] in Haiti, ODKPH, like many others, thinks that the elections should begin sometime this year, 1989. The people should be called to elections this very year.

Regarding the form of the elections, the ODKPH's leadership committee makes a few recommendations aimed at preventing the presidential elections from influencing other elections. ODKPH recommends that the municipal and legislative elections be held before the presidential elections.

Also, considering the number of people who cannot read and write, as well as the nation's bad economic situation, ODKPH recommends that the CEP's leaders make the Ministry of Information reserve a certain portion of air time every week on the government radio and television stations for all registered candidates willing to accept the conditions the government might set.

Finally, ODKPH says that the actual ballots should be as simple as possible so that the majority of the population can easily identify the candidate they are choosing.

The press release is signed for the leadership committee by Lionel Mompoint Mondestin and (Dieulouis Geneus).

MDN's De Ronceray Attends

FL1307192889 Port-au-Prince Radio Metropole in French 2200 GMT 12 Jul 89

[Excerpts] The CEP has been discussing elections with the leaders of different political parties and organizations at the Legislative Palace since last Friday and will continue to do so until 14 July. The purpose of these meetings is to get suggestions and recommendations from the political class with a view to preparing a definitive electoral calendar. The publication of this calendar will be announced soon. [passage omitted]

More than 15 political figures and members of popular organizations have already been received by the CEP. Among them are Serge Gilles of Panpra [Nationalistic and Progressive Revolutionary Party of Haiti], Jocelyn Beauchard of the UNDDDH [National Union for the Defense of Democracy and Human Rights], Reverend Duma J. Arnold of the PNDT [National Party for the Defense of the Workers], and Hubert de Ronceray of the MDN [Mobilization for National Development].

The leader of the MDN discussed seven points with the CEP members: public opinion's growing anxiety, the CEP's wait-and-see policy, the CEP's status, the holding of legislative and presidential elections before the end of the year, the ways and means, the climate of insecurity, and the time factor. [passage omitted]

Point one discussed with the CEP by De Ronceray constitutes a memorandum addressed to the CEP. The psychological climate currently prevailing in Haiti is one of uneasiness, fear, and despair, De Ronceray notes in this memo. No one in any stratum of society any longer trusts the leaders. Everyone makes fun of their statements. People feel only scorn and disgust about the nation's affairs. The Haitian people are totally convinced that the authorities prefer genocide to the creation of the conditions of security necessary for transferring power to a constitutional government.

In regard to the fourth point discussed, the absence of commitment on the part of the CEP to the electoral process as formulated in the MDN's seven recommendations has forced the MDN to review its strategy and adapt it to the current pressing needs. The elections formerly scheduled for two phases—Casecs [Administrative Councils for the Communal Section]-municipal and legislative-presidential—must now be cut back to holding only the legislative and presidential elections before the end of 1989. The MDN feels that elections for Casecs and mayors can wait a bit longer, since there is currently no void at those two levels.

In regard to the fifth point, the Haitian people recently voted on the Constitution of 1987 throughout Haiti deploying means that did not bankrupt the Republic. [passage omitted] By cutting the CEP's administrative apparatus back down to reasonable proportions and by using school buildings, public buildings, or religious buildings, the government can go a long way in the electoral operations using only internal Haitian resources. Once the authorities' political will to hold elections has been shown, foreign aid will not be long in coming, Hubert de Ronceray says.

Point six is on the climate of insecurity currently prevailing in Haiti. According to Mr de Ronceray, this climate of insecurity is aimed essentially at perturbing, and causing to abort, the prospects for elections. It is not in anyone's interest to stave off indefinitely, by means of violence, the electoral process and the chances for a socioeconomic revival of the nation. The insecurity can be controlled if there is an unequivocal commitment to elections by the Armed Forces, the CEP, and the political and social organizations.

In regard to the seventh and last point, De Ronceray says it is the time factor that the CEP appears to want to count the most. The MDN says that time is against all agricultural, arts and crafts, commercial, industrial, and cultural activities in Haiti. Time is against the political system.

It is a mistake to think that the moribund Haitian people will in time submit to a fait accompli, or that Haiti's great friends will end up falling into step and unblock the funds that will make the provisional permanent. Haiti must fight time, instead of submitting to it, De Ronceray says in this memorandum.

Finally, De Ronceray expressed his party's deep concern, and his own, in regard to this national drama. He said: Surely you do not underestimate the dangers and the risks—both for the nation and yourselves—of this national drama. Haiti is blocked and the situation is further deteriorating by the minute. In our opinion, there is no indication of any economic, social, or political recovery capable of justifying even a glimmer of hope, the MDN concludes in this memorandum addressed to the CEP. [passage omitted]

PNDT Leader Comments

FL1307202289 Port-au-Prince Radio Nationale in Creole 1300 GMT 13 Jul 89

[Text] The leader of the National Party for the Defense of the Workers [PNDT], the Reverend Dumas Jean Arnold [name as heard, also known as Arnold Dumas], met with the members of the Provisional Electoral Council, CEP—I mean, the members of the Permanent Electoral Council, CEP—the day before yesterday afternoon. This meeting is within the framework of the meetings the CEP is holding with several [as heard] political leaders with a view to holding elections in Haiti. They discussed several things, such as the recognition and registration of political parties, and so forth.

The reverend made reference to a note sent to him by the Justice Department (?made public) through the Ministry of Information and Coordination in 1987. The PNDT leader said he felt all the political parties participating in the coming elections should be recognized and registered parties, so that they would be able to fill out the legal forms. Here is Rev Dumas Jean Arnold in an interview with our colleague Michel Lubin.

[Begin recording] [Arnold] There is a big difference between recognized parties and registered parties. We want to tell you that registered parties are parties that have written to the Justice Department and have submitted their program for examination.

A recognized party is a party that has had its societal program or program of government examined by the Justice Department and the minister and his committee for legal affairs, or has submitted its statutes and any other projects for examination. If after examination, these things or the project have been deemed good, the department admits the party leader, because all the formalities have been complied with. The documents are even dropped off at the notary's, at the tax office, and everything is legally registered.

However, the registered party is a party that is still pending. The Justice Department still doesn't know what it will do about it. We don't know what the reasons for its refusing to recognize a party are—perhaps because of its programs. It could be that the program is an identical program, either one that comes from a foreign country.... [changes thought] If it is an identical program, an exact copy of something, when the program is (?taken to) the department, the department might reject it, because the men there are lawyers, men of law. They are intelligent enough to know when a man has brought them a copy, particularly at a time when you are preparing thoughts to help the country. They know very well when something is identical.

In any examination situation, any man that copies another (?turns in) an identical test paper. Sometimes both of them are given a zero; or the one that copied is given a zero.

So, when the department eliminate these parties, we don't know the reason. Only the Justice Department knows the reason.

However, we ask for party leaders to now return before the department, to take steps to comply with the legal formalities, because the law on political parties is still in effect. It has not been abrogated by anything, and we don't live in a jungle. We are living in a nation, under a rule of law. Whenever there is a law on something, everyone must submit to this law—especially the men (?who) have already been published.

We ask that the formalities be complied with, because we would like the elections to take place through legally recognized political parties.

[Lubin] What possible problem could there be if political parties that are recognized only but not registered participate in elections? [question as heard]

[Arnold] Well, when the recognized political parties participate in elections, this means these parties already have a program of government on file at the Justice Department that is known to be a program. It can be discussed and planned on. But the registered parties are merely registered. There is nothing that says their program has been accepted, that their program has been approved. You don't even know if it is a real program. Thus, it is as if, if you take this person and put him up front and the population votes for him, the population does not even know what it has voted for. [end recording]

Party Members Discuss Division Within MOP

FL1307185389 Port-au-Prince Radio Nationale in Creole 1300 GMT 12 Jul 89

[Excerpts] At a press conference last weekend at the Holiday Inn [Le Plaza] Hotel, the members of the MOP [Movement for the Organization of the Country] reiterated their determination to remain united in cooperation with the Haitian people within the party's well-defined political line, so as to patriotically contribute to the organization of the nation. According to the MOP's members, this press conference constitutes further evidence of their strong desire to work to regroup all MOP members in Haiti and abroad so as to fortify the party. The MOP's general staff, which is abroad, says it (?is joining) all the MOP representatives from the nine geographical departments of Haiti so they can realize this cooperative effort within the party, and also renew their adherence without reservations to the resolution adopted during the conference held [at the Club International] on the Freres road in Petion-Ville.

According to this resolution, elections with a view to forming a definitive executive committee within the MOP are going to be held (?very soon). Finally, the delegates at this press conference patriotically salute all democrats struggling to install quickly, in Haiti, a regime based on the Constitution that can guarantee the security of citizens, the public peace, justice for all, and the free exercise of political rights, and that also favors a rational development of the country.

That was the MOP members.

On the other hand, there is Gerard Philippe Auguste. We remind listeners that these MOP members asked for Auguste to leave the MOP, where he was preventing work from being accomplished normally. Well, Auguste answered them.

He answered (Federe Guillaume). He said that many things that were not true at all had been said. Agronomist Gerard Philippe Auguste gave one of our reporters, Jacob Virgil, an interview. Virgil will tell us about this interview.

[Virgil] [Passage omitted] [At the Freres conference] they said they no longer acknowledged Auguste as the leader of the MOP. [passage omitted]

We felt it necessary to interview Mr Auguste on a number of statements that had been made against him by these men. We contacted Mr Auguste by telephone. He told us that he did not acknowledge the MOP that is headed by (Flehere Narchere) and (Federe Guillaume). Auguste claims that committee is a phony committee.

Auguste said that an election was held after the death of [party founder] Daniel Fignole, and that he was unanimously elected. This happened on 26 August 1986. According to the MOP's statutes, he is head of the party for 3 years, and his mandate ends next 27 August.

Mr Auguste also said to us over the phone that the men whose ambition it is to lead the MOP accepted $175,000 from one of the people who was shunted aside from the political life of Haiti for 10 years by the Constitution of 1987. He said that is why they are buying people off, in order to effect changes in the MOP. He added that he has already written the Ministry of Interior and National Defense, the Ministry of Justice, and the Port-au-Prince police to inform them (?that) these men are using MOP letterhead paper without authoritization. Mr Auguste referred to the law of July 1986 on the functioning of political parties, which says that two political parties may not have the same acronym, emblem, and flag.

According to Mr Auguste, this conflict within the MOP arose because Mr (Flehere Narchere) asked him to take intiatives to ask the current government for certain government positions, which he refused to do. Mr Auguste added that they could forget about his resigning before his term was up.

Regarding the way people are calling for the resignation of Mr Auguste, MOP Secretary General (Jean Duviera) told us that the MOP is going to hold a congress next 25-27 August. At that time, they will know who the president of the MOP is to be. However, under the MOP's statutes, the president of the MOP should resign 1 or 2 months early in order to be accepted as a candidate for re-election. However, we point out that (Jean Duviera) refused to give us a recorded statement.

Panpra Calls for 'Government of Opening'

FL1407225989 Port-au-Prince Radio Metropole in French 2200 GMT 12 Jul 89

[Excerpts] Panpra [Nationalistic and Progressive Revolutionary Party of Haiti] has once again called for the formation of a government team of opening [d'ouverture]. This is Serge Gille's party's seventh letter on Haiti's current political situation. Panpra's leader once again advocates a government of opening [gouvernement d'ouverture], the only answer to the current crisis.

According to Serge Gilles, only a government of opening can undertake an emergency social and economic program, settle the insecurity problems, and efficiently and effectively ensure that elections are held by once again giving indispensable credibility to the electoral process.

These proposals, already formulated in an earlier letter, Panpra letter No 6, are reiterated in letter No 7, dated 12 July. Serge Gilles defines his suggestions.

The government of opening is not just another slogan or a new formula. It is not simply new ministers, new ambassadors, or new promises. According to Gilles, the goal of such a government is, rather, to set in place a minimal government capable of managing the transition, of managing the crisis. The problems Haiti is facing are of a political nature and cannot be solved by a military government based on personal power such as we have today.

At the end of this seventh letter, Gilles calls on the forces of change to, despite their ideological differences, show proof of political maturity and sufficient tolerance to together seek the path that will permit an unblocking of the situation.

[Gilles, speaking in mixed French and Creole, over the telephone] [Passage omitted] We feel that the current problem is a political problem. It is a political problem. You can't solve it any other way. Thus, you must begin with a political solution.

As we said in the analysis in letter No 7, the problem is that there is no longer any government in this country. [passage omitted] Now, whatever you want to do—elections, for example, which are a national act, or anything at all that you may want to do—requires a minimal government, minimal administration, minimal sobriety. [passage omitted]

If you want to solve a problem, you have to look it straight in the eye.

[Reporter] [Passage omitted] But, do you think that the creation of such a government of opening would require the presence in that government of political leaders, party leaders?

[Gilles] No, that's not it. That is why we say that the first condition is a minimal program that takes into account the most pressing demands. We are not even talking about the fundamental needs—just the Haitian people's most pressing demands. Everyone knows what these demands are. The neighborhood committees and everybody else has been stating them over the radio and over TV since 7 February 1986. That is one thing. The first condition is a minimal emergency program.

And we say that the second condition is a national consensus. By national consensus we do not mean a government consisting of all the party leaders. No. We mean that the most responsible of the parties, those that are aware of the problems, reach agreement with the social forces and with certain prominent figures, with a view to making things work. [passage omitted]

[Reporter] Although you are calling for a government of opening to make the electoral process credible, you met with the Provisional Electoral Council [CEP] on the coming elections. How can you explain this?

[Gilles] So what? There is no contradiction there. Since the CEP is an independent organization, there is no contradiction in this. We feel that dialogue and the reaching of a consensus within transparency is indispensable to the process. Tolerance. Dialogue. This is perfectly normal.

The CEP says that it wants to meet with the political leaders. They informed us of this. Well, we met with them and we gave them our opinion as to how things should proceed...

[Reporter, interrupting] Do you think, Mr Gilles...

[Gilles, interrupting] No, no, no. Not yet. Hold on. Remember, the CEP is independent of everything—of both political parties and the government! So, even if we do call for a government of opening, even if there were to be a government of opening, the CEP remains as is. [passage omitted]

[Reporter] [Passage omitted] In any case, do you think there will be elections or not, and with or without this personal-type government, as you call it?

[Gilles] No, what we say is that [rephrases] if we want to organize elections in Haiti [rephrases] we say that elections constitute a national action. Thus, there has to be a government that has a certain amount of support and credibility and also that is capable of solving certain problems. There are two ways to solve the insecurity problem: Either you have a jillion policemen and you post one on every street corner, which is not the case, for we don't have them; or you have the support of the population. It is the population's support that will help you solve the insecurity problem. And in order to have the population's support, the government must be credible. The government must take measures to solve that population's most pressing needs. That government must be capable of reassuring the population. [passage omitted]

CATH/CLAT To Hold 1st Congress 10-13 Aug

FL1507015989 Port-au-Prince Radio Nationale in Creole 1300 GMT 14 Jul 89

[Excerpts] The CATH/CLAT's [Autonomous Organization of Haitian Workers affiliated with the Latin American Central Organization of Workers] first congress is scheduled for next 10, 11, 12, and 13 August, CATH/CLAT Secretary General Germain Jean-Francois said in an interview he granted to Radio Nationale.

Here is Michel Lubin with further details.

[Lubin] [Passage omitted] Besides electing a new leadership committee, CATH/CLAT will also review the union federation's statutes, CATH/CLAT Secretary General Jean-Francois said in an interview he granted us. He added that there would also be some preparatory seminars held during the congress for CATH/CLAT members. [passage omitted]

We point out that CATH/CLAT began operating back in 1959 under the name Haitian Federation of Christian Labor Unions [Federation Haitienne des Syndicat Chretiens]. However, the union federation (?became) CATH/CLAT in March 1969.

MPP Denounces Church Over Soleil Situation

FL1407233289 Port-au-Prince Radio Haiti-Inter in Creole 1000 GMT 12 Jul 89

[Excerpt] The crisis at Radio Soleil is still going on. The radio station has not yet resumed its newscasts. Despite the fact that everybody—all the popular organizations—have asked the bishops to reverse their decision on the journalists who have been fired, nothing, nothing has been done!

Thus, reaction continues.

The Papaye Peasants Movement [MPP] says: We of the MPP are very, very surprised to see how the church is (?slipping out of the saddle), is losing its way in regard to evangelization. The church hierarchy can't stand people who report the news accurately. It looks as if they are against the work of opening people's eyes, of making people become aware of things. Just look at the way the church hierarchy dismantled Misyon Alfa, a [literacy] program that was permitting 3 million people to learn to read and write, reason, and reflect upon their situation. This must mean that the church hierarchy wants these people to remain in darkness—zombified, so to speak. The church hierarchy can't stand the sight of a democrat! No democrat whatsoever! No priest who chooses to walk at the side of the poor within the church! Just look at the way they booted Father Titide [affectionate nickname given Father Jean Bertrand Aristide by the Haitian masses] out of the church [as heard] because he opted for the poor. Just look at the way the church hierarchy is out to destroy Radio Soleil, out to boot out all the journalists reporting the news accurately—a team of journalists who chose to put themselves in the service of the poor, who are the spokesmen of the poor. The church hierarchy is chasing all of these journalists off.

Here is what we of the MPP ask the church hierarchy: Can they explain why the Radio Soleil journalists were fired? Why has there been no decision made regarding the aggression committed against journalist Renel Remarais? Why did he get a letter of dismissal instead?

We ask the church hierarchy if it feels that every time an arbitrary decision is made, the forces of death profit from the occasion to [word indistinct] the Haitian people? Huh?

We ask: Is there is an alliance between the church hierarchy and the enemies of the Haitian people?

For this reason, we call on all the church authorities who are not against change to remain vigilant and stand their ground firmly at the side of the Haitian people, so that the church will not lose its calling.

That was the MPP. The press release is signed by Edmond Mathieu, Ernest Israel, and Clerius Etienne. [passage omitted]

Military, Area Residents Clash During Search

FL1707202589 Port-au-Prince Radio Haiti-Inter in Creole 1100 GMT 17 Jul 89

[Report by Upper Artibonite Valley correspondent Patrick Cherilus]

[Excerpts] Three civilians were shot and killed by soldiers from the Toussaint Louverture Barracks [in Gonaives]. Two soldiers were wounded with machetes and four houses were burned down in (Aux Sources) on Friday, 14 July. This community is 7 km from l'Estere.

(Jesus Exantus), a father of nine children; (Dieuseul Telfort), a father of four; and (Wilfrid Exantus), a young man approximately 22 years old, were killed after someone from the area denounced them as having weapons in their possession.

Because of the denunciation, the military went to (Aux Sources) to conduct a search. Machetes were pulled on the military and the military took action in self-defense, said Major Dumarsais Romulus, commander of the Military Department of the Artibonite.

We talked to Sergeant Belladere Salut, who is in charge of the l'Estere outposts and who has an ear cut off, a wounded left arm, and a finger cut off. He told us that he had gone to the area to reach an understanding with the men [not further identified] so as to be able to remove the weapons in the area and that the men then pulled out their machetes and attacked him and his companion (Gracia Aurelien), who is wounded in the head.

The relatives of the three dead men, whom we talked to in (Aux Sources), told us that contrary to what the military claims, the men did not have any weapons. They say it looks as if this was an attempt at crooked wheeling and dealing against these three men. [passage omitted]

However, at the Toussaint Louverture Barracks in Gonaives the military showed us a Mauser rifle which they claim to have found in (Aux Sources), a village 7 km from l'Estere.

According to Major Dumarsais Romulus, if one such weapon was found, there might be others. Therefore, the military is going to have to go back there—as is normal—to continue to search for weapons.

Government's Currency Measures Discussed

FL1307163889 Port-au-Prince Radio Nationale in Creole 1300 GMT 12 Jul 89

[Excerpts] [Announcer] After the measures the government took last week to manage the nation's foreign currency, many sectors in Haiti applauded. People were happy about these important measures taken to improve the cost-of-living situation in our country, especially for Haiti's poor. The measures were very good for certain sectors—such as, particularly, the minor vendors who travel abroad to buy goods and return and resell the goods in Haiti, as well as the small-time money changers. The measures were also good for people who are traveling abroad and who need to buy U.S. dollars. Such people greatly approved of the measures, especially now that the summer vacation is here.

Many observers say that the fact that the U.S. dollar hit 36 percent last week was to the advantage of the big merchants—to the advantage of the Haitians of Arab extraction [Syriens] with stores in downtown Port-au-Prince near the waterfront, and especially to the advantage of the private commercial banks and the exchange houses. In fact, say these observers, when someone transferred money to Haiti, they paid for the transfer in U.S. dollars; however, the person who received the money in Haiti did not receive it in U.S. currency. He was given the money in gourdes. Meanwhile, the owner of the transfer office made a lot of money off the transfer in Haiti, where he changed this U.S. currency at 35 percent. [passage omitted] In the same way, if you yourself, in Haiti, needed to send some money in U.S. currency to your family or to your children studying abroad, well, they wouldn't take your money in Haitian gourdes. They made you buy U.S. dollars, plus pay certain costs associated with the transfer. Thus, say observers, there was huge profit in this for the commercial banks, and especially for transfer offices.

Small-time vendors say that although they applauded the measures taken last week by the military government headed by General Avril, because the dollar dropped to 16 percent, immediately thereafter—since in Haiti nothing good is ever permanent—the U.S. dollar again shot up to 28 percent. [passage omitted]

We interviewed a few small-time merchants on this matter. They accused the Haitians of Arab extraction down near the waterfront of engaging in black market operations with the dollar. The vendors say that because it is these people who have a monopoly on dollars, they raise the cost of the dollar whenever they wish. We will have you listen to some small-time vendors who sell their wares down near the waterfront.

[Begin unidentified speaker recording] [Passage omitted] The sellers of U.S. currency tell you: It is at 26 percent. If you accept, you can get some. If you do not accept, you will not be able to find any at any other price. We see how much this hurts us; therefore, we have come down to the radio station. The government must listen to the cries of the poor. Airfare is already very expensive! The government must fix a price at which the dollar is to be sold, normally. And it must also do something about the Haitians of Arab extraction who have stores, because it is they too who contribute to the rise in the cost of the dollar.

Today Vitiello [a family name] says he'll take it at 20 percent. Tomorrow some other store will say that it will take it at 22 percent. Then someone else will say: I'll take it at 23 percent. And someone else will say 24 percent. The poor cannot compete with these people. So we are asking if the government's words are not going to be backed up by action. We want to know what it is going to do about us, as regards this money problem. [end recording]

[Announcer] That was the small-time merchants down around the waterfront complaining bitterly and accusing the big-time merchants with stores downtown, especially the Haitians of Arab extraction who do whatever they want with the U.S. dollar. They raise the price of the dollar whenever they feel like it. These small-time vendors, who greatly applauded the military government's decision to lower the cost of the U.S. dollars—which was in everyone's interest—are addressing themselves to the head of the military government, Lt Gen Prosper Avril, personally, asking him to make people respect the decrees issued last weekend. [passage omitted]

Here's our [Miragoane] correspondent Yves-Marie Jasmin.

[Jasmin] We have received some complaints from the vendors who are in the habit of going and buying merchandise in Miami. They thank Gen Avril's government heartily for the measures it has taken to lower the cost of the U.S. dollar. However, the vendors say that by Tuesday morning, 11 July, they could no longer buy dollars, for the dollar had already risen to 26 percent. [passage omitted]

[Announcer] Thank you, Jasmin. [Passage omitted] According to our correspondent in Petit Goave, people there too are wondering, making statements, and giving their opinion on this matter of U.S. currency. Our correspondent Leonard Felix Beauvais will give us details.

[Beauvais] With the decree issued by the government aimed at stopping short the relentless rise in the cost of the U.S. dollar in Haiti, many observers in Petit Goave are asking if the price of imported merchandise is going to drop a bit. They are asking if the big importers of second-hand goods are going to stand fast and continue to drown the Haitian people in expensive second-hand goods. [passage omitted]

[Announcer] [Passage omitted] Let's go back to the waterfront in Port-au-Prince, where, as we just reported, the vendors have addressed themselves to the president of the military government, Gen Prosper Avril, personally, asking him to make people respect strictly this decree regarding currencies in Haiti issued last weekend.

[Begin unidentified speaker recording] The day after the government communique, there was a lot of U.S. currency available. After 2 days, you couldn't find any anymore. Right after the government issued the communique.... [changes thought] It's as if they [not further identified] had stashed the money away somewhere, know what I mean? Three or four of them [not further identified] brought the money—bags of money and attache cases full of money. They [not further identified] came to offer it to us in the marketplace. I mean, we didn't even really need it. We didn't have the money to buy it with. We even teased them about it.

Now they have gone and stashed it away again. Today we need some, and we have been all over town and can't find any.

They ask you.... [changes thought] If you are willing to take it at 26 or 27 percent, they will give it to you. But if it is cheap, you won't find any. [end recording] [passage omitted]

Public Works Removing Toxic Waste in Gonaives

FL1307191189 Port-au-Prince Radio Haiti-Inter in Creole 1000 GMT 12 Jul 89

[Report by unidentified Gonaives correspondent]

[Excerpt] On Monday 10 July, we noted that in Gonaives the Public Works Department of the TPTC [Ministry of Public Works, Transportation, and Communications] has begun picking up 4,000 tons of toxic waste from the Sedren [expansion not provided] wharf very near Gonaives. The toxic waste is being put in reinforced concrete vats on Morne (La Pierre). [passage omitted]

Salinas on Debt, Drugs, Panama, Elections

PA1500012900 Bogota EL TIEMPO in Spanish 12 Jul 89 p 3-A

[Interview with President Carlos Salinas de Gortari by unidentified reporter—date and place not given]

[Text] [Reporter] Mr President: It is said Mexico will become a laboratory for the Brady plan and that negotiations with the creditor banks have begun. What do you think about the Brady plan and the possibility of Mexico being the first country to benefit from it?

[Salinas] We are now conducting negotiations. We have been carrying them out with a clear strategy that began by achieving a political definition that would recognize the need to reduce the debt and refinance it. We then entered the phase of negotiating with the financial organizations, and we achieved the acceptance of Mexico's program in an agreement with the IMF, not the other way around.

Mexico's program holds that a certain nation cannot dispose of resources without first defining the rate of economic recovery. Consequently, we must define what resources are needed and what part of those resources must be contributed for purchasing the debt in dollars on the market. This was accepted by the IMF. We are now in the final phase of the negotiations, the most difficult phase.

[Reporter] Colombia and Mexico have a very serious and similar problem: narcotics trafficking. You began a campaign against your country's narcotics traffickers. What can Colombia and Mexico do to fight this scourge?

[Salinas] Narcotics trafficking is a world problem. It is affecting those countries that produce drugs, those used as a transfer point, and those that consume drugs. Narcotics trafficking is a risk for the security of Mexico and for the health of my citizens. However, no country can defeat it by itself.

We need better coordination among our countries. Producer countries should control production; those used as transfer points should investigate transfer operations; and the consumer countries should make a very special effort to fight drug consumption.

[Reporter] Do you have any specific measures in mind you would like to discuss with President Barco?

[Salinas] The Mexican attorney general is accompanying me on this trip, and he is in charge of the struggle against drug consumption. We will negotiate to reach an initial agreement to improve coordination and exchange information.

[Reporter] Will the agreement include the repatriation of prisoners?

[Salinas] If necessary.

[Reporter] Is there a plan to send Colombian prisoners back to Colombia from Mexico?

[Salinas] We would have no problems with that.

[Reporter] Some people suggest the legalization of drug trafficking as a possible solution to the problem. Do you think that suggestion would be feasible?

[Salinas] Each country sovereignly decides on the legal framework within which it is going to fight the drug problem. In Mexico's case, drug production and trafficking will always be considered an illegal activity.

[Reporter] Five Mexican states held elections a week ago, but no official results had been released a week after the elections were held. Why the delay?

[Salinas] There is no delay. After the elections, there is a vote-counting period established by the local laws. The counting processs is under way and is almost completed. That process is being conducted within the timeframe established by the law.

[Reporter] Your trip is linked with the recently created Group of Three. What is this group's future?

[Salinas] There have been many attempts to achieve Latin American unity, but our peoples demand specific results, such as an improvement in their standards of living. We agree on the fact that our great efforts for unity have ended in great frustrations.

In keeping with that spirit of unity, we want to try specific plans among our three nations to obtain specific results. For example, we are highly interested in establishing the possibility of importing Colombian coal to the Mexican Pacific coasts to generate electricity from coal. There are other specific plans that could be mutually beneficial and could bring our countries closer together.

[Reporter] Is this Group of Three going to discuss Panama's problem?

[Salinas] Not as such. Each of our governments has given its opinion on the matter. In Mexico, our foreign policy principles stress the right to self-determination and nonintervention in the affairs of other nations. The OAS Charter also establishes that it cannot turn into an electoral tribunal to rule on the domestic affairs of any country.

[Reporter] Mexico's stance is to maintain the status quo in Panama?

[Salinas] We have stated that no one can interfere in Panama's domestic affairs. However, we must not confuse the enforcement of these principles with the defense of one person.

[Reporter] How do you view the situation in Central America after 10 years of revolution in Nicaragua?

[Salinas] We are geographical neighbors of Central America. One of Mexico's least developed states is the one on the border with Guatemala. However, that is our door to Central America.

There is a tremendous potential for Central American immigration into Mexico and the United States. Without social development in that zone, we will find problems that can become even more serious than the ones those countries are now experiencing.

[Reporter] Regarding your country, is there any possibility that Mexico will join the trade agreement signed between the United States and Canada?

[Salinas] Although recognizing the world trend to form blocs, I noted Mexico will not join any of them. However, we are interested in strengthening ties with the United States.

[Reporter] Costa Rica and even Mexico played a key role in breaking up the Coffee Pact. How do you feel about that?

[Salinas] We are storing 4 million sacks of coffee. Brazil has an even larger amount. I think we have to find mechanisms for communication and dialogue to avoid a price war that once again will affect developing countries the most. We suffered because of a drop in the exchange rate and in the prices of our raw materials in relation to what we pay for imports. It would be very regrettable if the exchange rate decrease is compounded by a drop in coffee prices.

[Reporter] Do you believe the Institutional Revolutionary Party [PRI] would be willing to relinquish power should it lose the 1994 presidential elections?

[Salinas] (Smiles) That year is still far away. However, we have promised to respect the people's will.

[Reporter] You have come out with strong measures during the 1st months of your administration. You have attacked the traditional and corrupt unions and have begun a democratization process within the PRI. However, how much autonomy do you really have to carry out those reforms without stepping on the toes of the so-called "dinosaurs" who do not want to see those reforms come true?

[Salinas] The actions implemented during the 1st months of my government have followed an essential principle: enforce the law. I am convinced that living in a de jure state is what gives citizens a sense of security and what maintains social unity. That is why individuals who violated the law have been duly punished.

Regarding reforms within my party, there is general awareness in Mexico concerning the need for changes. It is what we call modernization. Undoubtedly, this includes economic changes, which we have accomplished by opening new commercial opportunities, decentralizing state enterprises, and effectively controlling inflation.

However, modernization should also include the political field, and important steps have been taken in that direction. The majority of Mexicans are demanding that modernization; therefore, I have the support of the majority of my fellow countrymen.

President Begins Official Visits; Meets Leaders

Arrives in Paris

PA1407133489

[Editorial Report] Mexico City Red Nacional 13 Imevision Television in Spanish at 1300 GMT on 13 July broadcasts a 15-minute report by special correspondents Pilar Alvarez and Raul Rodriguez on Mexican President Carlos Salinas de Gortari's arrival in Paris for a 2-day visit to participate in ceremonies to mark the bicentennial of the French Revolution. The report also describes his meetings with French, Canadian, and Brazilian leaders.

The report states that President Salinas de Gortari, who plans to hold approximately 10 private meetings with world leaders during his visit, arrived at Orly Airport shortly after 1400. He was greeted by Thierry de Beauce, French secretary of state of foreign affairs, and was escorted to the George V Hotel, where he expressed satisfaction over the positive results of his recent visits to Venezuela and Colombia.

The report adds that at 1600, at the Elysee Palace, Salinas de Gortari met for nearly 50 minutes with French President Francois Mitterrand, who reaffirmed his government's support for Mexico's foreign debt renegotiation efforts and expressed willingness to mediate with banks in order to help Mexico find a satisfactory solution to its debt problem. The report states that Mitterrand added that France admires Mexico's "unprecedented renegotiation" efforts and that he agrees that developing countries must attain growth.

On his part, the report continues, Salinas de Gortari briefed Mitterrand on Mexico's renegotiation efforts, which include alternatives such as pardoning a portion of the debt, lowering interest rates, and granting fresh funds for new production projects to ensure an economic recovery.

The report states that Salinas de Gortari and Mitterrand also discussed drug trafficking and environmental issues; Salinas de Gortari said that drug trafficking constitutes a threat to the states' security and health and underscored the need to combat drug trafficking through international cooperation. Salinas de Gortari told Mitterrand that during a 6-month period, Mexico seized 6 tons of cocaine, a figure that reportedly shocked the French president.

The report adds that Salinas de Gortari met for 45 minutes with French Prime Minister Michel Rocard, whom he knows well because they are both former planning ministers and had met previously on three occasions. The foreign debt problem was the focus of their discussion; Rocard reportedly said that Mexico's efforts to achieve an economic recovery is setting an example for other countries.

The report next states that the Mexican president met for 40 minutes at the George V Hotel with Canadian Prime Minister Brian Mulroney, who said that Canada regards Mexico as very important in its relations with Latin America. Mulroney, the report adds, offered to help Mexico expedite renegotiations with commercial banks, commented on the need to increase cooperation between the two countries, and accepted Salinas de Gortari's invitation to visit Mexico in early 1990.

President Salinas de Gortari also met for 40 minutes at the hotel with his Brazilian counterpart Jose Sarney to exchange views on their countries' foreign debts and the drop in coffee prices on the international market. The report adds that the two presidents agreed to assist Colombia in its efforts to prevent what Salinas de Gortari described as a coffee war, which would further reduce coffee prices. The report notes that President Sarney said that all Latin American countries are following Mexico's debt renegotiation with much interest, because it is breaking new ground and setting an example for other countries.

The report concludes that President Salinas de Gortari ended the day by attending a gala dinner hosted by President Mitterrand for the visiting heads of state.

Meets With Bush; Goes to Spain

PA1507031389 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 14 Jul 89

[Telephone report by Raul Rodriguez from Madrid—live]

[Text] Before discussing local events, I would like to report that during the meeting held in Paris by the U.S. and Mexican presidents, George Bush guaranteed Mexico the full support of the Group of Seven for our country's negotiating position before the international banks. President Bush said this firm support will continue until a satisfactory solution to all concerned is reached; especially for Mexico. It is expected that the Group of Seven's economic declaration on 16 July will publicly uphold this support. According to comments made by our country's government officials, it could result in greater commercial bank flexibility toward the Mexican debt negotiations now under way in New York.

This afternoon, President Salinas left Paris for Madrid, where he arrived for a working visit. In a few minutes, he will attend a private dinner party at Zarzuela Palace hosted by His Majesty King Juan Carlos and Sofia. During his brief visit to Spain, President Salinas will also meet with Spanish President Felipe Gonzalez.

President Salinas arrived at 1820 at Barajas International Airport together with his nine-person retinue. He was met at the diplomatic lounge by Spanish Foreign Minister Francisco Fernandez-Ordonez; Spanish Ambassador to Mexico Pedro Bermejo; Mexican Ambassador to Spain Alfredo Baranda Garcia; Lieutenant General Gonzalo Gomez, captain general for the 1st Region; Tomas Chavarria, head of Spanish protocol; and Francisco Garcia Ortal, head of Barajas Airport. Upon his arrival, President Salinas de Gortari saluted members of the Mexican Embassy in Spain. Immediately after, the president boarded a Spanish Air Force helicopter that took him to El Pardo royal palace, where he met privately with Spanish and Mexican intellectuals. Afteward, Salinas went to Zarzuela Palace, where a private dinner hosted by King Juan Carlos is about to begin.

Tomorrow, President Salinas will have breakfast with Spanish businessmen at La Moncloa Palace. He will then hold talks with Spanish President Felipe Gonzalez, with whom he will have lunch, thus ending his visit to Spain. President Salinas will then return to Mexico.

Returns From European Tour

PA1607161989 Madrid EFE in Spanish 0410 GMT 16 Jul 89

[Text] Mexico City, 15 Jul (EFE)—Mexican President Carlos Salinas de Gortari arrived tonight in this capital from Madrid, thus winding up his first official trip abroad. Salinas de Gortari, who arrived at 2130 (0330 GMT) in Mexico City, had visited Venezuela, Colombia, France, and Spain during his tour.

On his arrival at the presidential hangar in Mexico City's international airport, Salinas de Gortari was accorded the customary military honors. He then listened to the national anthem and greeted the officials who had gone to meet him at the airport.

During the first half of his tour, Salinas de Gortari visited the two South American countries that are Mexico's partners in the so-called Group of Three, and discussed with them Latin American economic integration as well as cooperation plans for Central America and the Caribbean.

After this he left for Paris, where he participated in the events to celebrate the bicentennial of the French Revolution and met with several heads of state, including U.S. President George Bush, who reaffirmed his support for Mexico's position on refinancing its foreign debt.

During these meetings, Salinas de Gortari received support for his economic policy from the seven richest countries in the Western hemisphere—namely, the United States, Canada, Japan, France, Italy, Germany, and the UK.

In Madrid, the Mexican president dined with the Spanish royal couple, King Juan Carlos and Queen Sofia, and met with Prime Minister Felipe Gonzalez, with whom he signed an agreement for Spanish credits and investments totaling $4 billion.

Spanish Foreign Minister Francisco Fernandez Ordonez announced Spain's decision to reduce "by a substantial percentage" the amount of the Mexican public sector's debt to the Spanish public sector.

The cooperation agreement will probably be signed during the official visit the Spanish royal couple will make to Mexico between 3 and 5 December. The visit was announced today before Salinas de Gortari boarded the Benito Juarez presidential plane to return to Mexico.

Calls Tour 'Success'

PA1607191489 Mexico City XEW Television Network in Spanish 1630 GMT 16 Jul 89

[Excerpts] Upon his return from his first official trip abroad, Mexican President Carlos Salinas de Gortari said that he is pleased with the success of his tour to four countries: Venezuela, Colombia, France, and Spain. [passage omitted] Government Secretary Fernando Gutierrez Barrios welcomed the president at the presidential hangar at Mexico City's International Airport.

In his welcoming remarks, Gutierrez discussed the recent state elections, stressing that Mexico is at peace and is only facing concerns natural to a country that is dynamic in every way. He said that Mexico is a country with laws and institutions, and that forums exist for the discussion of all problems. Referring specifically to Michoacan State, Gutierrez Barrios said that he has asked all the political parties to avoid criminal or illegal actions and to direct their concerns and complaints through legal channels.

Gutierrez emphasized that Mexicans live amid a climate of democratic freedoms and denied that incidents had taken place in Michoacan, thanks to the wisdom shown by the authorities. Gutierrez also denied that there is fear over possible schisms within local congresses in two or three states, adding that the situation shows that political pluralism is a necessity. He added that Mexico needs a very visible form of pluralism that will include all political parties in the enormous responsibility of governing and passing legislation.

PAN Wins Governorship, 8 Deputy Slots

PA1407035289 Mexico City XHTV Television in Spanish 0200 GMT 14 Jul 89

[Text] The electoral process in Baja California has ended with the announcement of voting results in the gubernatorial elections. The winner of the governorship was Ernesto Ruffo Appel, candidate of the National Action Party [PAN].

Ruffo Appel defeated Margarita Ortega of the Institutional Revolutionary Party [PRI] by a margin of over 40,000 votes. The Party of the Democratic Revolution placed third with 7,000 votes, and the Popular Socialist Party finished fourth with a little over 6,000 votes. It was followed by the Authentic Party of the Mexican Revolution with 4,815 votes, and last place went to the Cardenist Front Party [Partido del Frente Cardenista], which received 3,857 votes.

PAN won the governorship, eight deputy slots, and two municipal presidencies, whereas the PRI won only seven deputy slots and two municipal presidencies. The other parties will vie for the four other deputy slots, which are to be allocated on a proportional basis.

According to official estimates, the big winners were the abstainees, who totaled 50 percent.

Results Give PRI 38 More Municipalities

PA1507035889 Mexico City XHTV Television in Spanish 0200 GMT 15 Jul 89

[Text] Artemio Iglesias, Durango's Institutional Revolutionary Party [PRI] delegate, unofficially announced his party's victory in 38 of the 39 state municipalities, following the recent municipal presidents' elections. At a news conference, he conceded defeat at Penon Blanco Municipality, where the PRI candidate registered late.

During the news conference, Mr Iglesias said the deputy posts at Gomez Palacio and Lerdo in the Lagunera region are being seriously disputed by the opposition. Official results for municipal president will be disclosed on 16 July, and deputy winners will be announced on 19 July.

Rodolfo Elizondo Torres, former National Action Party mayor in Durango and presently a federal deputy, conceded his party's defeat.

* Ideological Definition of PRD Examined

32480176 Mexico City PROCESO in Spanish
No 657, 5 Jun 89 pp 6, 9-13

[Report by Oscar Hinojosa]

[Text] Having assured its legal registration by besting the ruling party in administrative skirmishes (except in the as yet unfinished battle over the use of the national colors), the Party of the Democratic Revolution [PRD] will be faced with internal tensions and potential upheavals when it subjects itself to the unavoidable debate on its definitive ideological and political profile.

The pending discussion will no doubt be dominated by the historic reintroduction of the Mexican Revolution's "popular objectives that as of today have gone unfulfilled or been abandoned." These objectives have been given a prominent place in the PRD's basic, albeit provisional documents.

The tendency to define the PRD as a party that is prepared "to restore the ideological and moral" legacy of the popular movements of the nation's history, including the Mexican Revolution, is embraced by the leaderships of the Democratic Current [CD] and the now dissolved Mexican Socialist Party [PMS], the two main forces in the PRD.

The dominant view will surely meet with resistance, however, from a socialist faction headed by Eduardo Montes and Marcos Leonel Posadas and armed with SOCIALISMO, a new magazine of theory and politics. This faction is striving to demonstrate that "a party that is prepared to vie for a very dubious legacy, a revolution that lapsed and came to an end many years ago, cannot go far," and it persistently cautions that "the eclectic mix of principles and ideas taken from the arsenal of the official ideology and from the socialist arsenal is not going to work."

It is not just on the internal front that the debate has begun. From the time of the discussion about the national colors that are used on party emblems, the PRI [Institutional Revolutionary Party] itself and commentators who are wont to reflect or share its official stands have reproached the new party for "indiscriminately and uncritically appropriating the ideology and colors that for 60 years have fully distinguished and identified the Institutional Revolutionary Party."

In a press release the PRI contended that "it is obvious that the use of principles such as 'democracy and social justice,' 'revolutionary nationalism,' 'defense of the institutions of the Revolution,' 'egalitarian society,' and others of similar importance constitutes, along with the three-color emblem, the essential distinguishing characteristics of PRI, which for reasons of dignity, consistency, and political decorum we cannot abandon or leave in the hands of other political parties."

The debate gave rise to the questions of the present moment: What are the differences and similarities, if any, between the PRI and the PRD? What sort of party does the PRD want to be?

PRI a Perversion: Munoz Ledo

The controversial Porfirio Munoz Ledo occupies one of the most uncomfortable and least spacious senatorial offices, alongside Carlos Jonguitud Barrios, the fallen cacique. Pushed into the background, he seems to be a senator who is being punished. Accustomed to offices without such inconveniences, Munoz Ledo is more at home receiving visitors in the Senate cafeteria.

In summary, he explained:

"Our political differences with the PRI are obvious, and our common origins are obvious, too. The PRI today is the electoral instrument of the transnational right, and the PRD is the party of the progressive and nationalist sectors. If there are any two political groups that are radically opposed in their true conception of the country, not the one that can be found in documents, they are the PRD and the PRI."

After having dwelled in the monster for decades, Munoz Ledo described the break led by the Democratic Current as "the deepest rift that the Mexican political system has had in 50 years," and from it emerged "the sector that is rightly the heir to the genuine principles of the Mexican Revolution" and "the conservative sector, which advocates giving the State a new function as an enclave of a modernization policy, which merely means integration into the U.S. economy."

The Mexico City senator remarked that PRI members "claim an ideology that they do not profess" if they are familiar at all with the basic documents of the ruling party.

He explained:

"It is one thing for the PRI to still bandy about in its documents, but not in its daily discourse, the smoldering remains of the revolutionary party of yesteryear, and it is another thing for the members of PRI to profess those ideas."

"Senator, if an expert were to analyze the content of the party documents of both the PRI and the PRD, what would he discover?"

"He would discover that they have a common origin: the Mexican Revolution, but two different sides of it, because we embrace the nationalist and grassroots side much more consistently and rigorously. But he would find an essential difference: PRI's entire political discourse rests on its monopoly of power and the corporative State, and ours rests on the possibility of a different party coming to power and on the conception of government for civilian society. Politically speaking, the documents of the PRI and the PRD are radically at odds. Economically and socially speaking, they have a common origin—it's just that ours embraces the nationalist, grassroots side much more rigorously."

"Is the political struggle in Mexico today for power and the legacy of the Mexican Revolution?"

"No. The struggle in this country is first of all against the perversion of this legacy and then for the reaffirmation of the essential substance of our political struggles. We are not vying for a family inheritance. We are vying for the values of the nation themselves, in contrast to PRI, which in a medieval debate is claiming hereditary ownership of the symbols and of history. Martin Luther did not fight for the church's assets; he fought for what in his judgment was the original idea of Christianity. As with every political splinter-group movement, what is being fought over is the purity and proper interpretation of the origins of this historic current."

"The PRD regards itself as the bearer, the faithful interpreter of the finest traditions of the Mexican Revolution."

"Of history, not of the Mexican Revolution. Of this country's nationalist, grassroots history. We are vindicating the popular movements of the 19th century and the social movements subsequent to the Mexican Revolution that are or in their day were opposed to the political system."

"Owing to the similarity of certain political ideas of the PRI and the PRD, owing to the PRD's insistence on using the national colors, and owing to the PRI roots of some of the PRD's main leaders, would you agree that your party is at least tempted to portray itself as a sort of reformed, corrected, and expanded PRI?"

"No. The PRI is just an episode in the development of the Mexican Revolution. To an extent, the PRD is an anti-PRI, if by PRI we mean the corporative system, the State party, and the abandonment of revolutionary values. To explain the difference between the PRI and its predecessor the Party of the Mexican Revolution, Cuauhtemoc Cardenas has emphasized that General Lazaro Cardenas never belonged to the PRI."

Munoz Ledo implicitly took up the defense of the governments of the past decade when he ventured into the slippery field of the interruptions of the Mexican Revolution.

The following are some of his comments for the debate, which will touch on the senator's own career:

"The 1970's were years during which new balances were sought within the system, and many of the values that had been lost were revived. Throughout the 1970's there was an internal rivalry and a battle among factions within the political system, and from it the financial sector emerged victorious in what we called a technocratic coup d'etat. Mexico's dilemma (the choice between a progressive course and a conservative, transnational course) was decided in favor of the latter. Little by little our presence became incompatible with the system.

"In 1977 (the year that he left the federal government) I began talking about the possibility of creating a progressive wing within the system or a new party that would occupy the spaces that the ruling party had abandoned. Cuauhtemoc Cardenas gave lectures, made statements, and drafted documents that pointed in the same direction. He denounced PRI for straying from its revolutionary tradition and proclaimed the need to restore it."

He denied that the PRD's insistence on using the national colors on its emblem is an attempt to make it seem like a nice, progressive PRI, to make it look to voters like the alternative to the undemocratic, fossilized, and antipeople PRI.

He also denied that the PRD is using the national colors as a magnet to attract easy votes. "We destroyed the old idea that PRI had an advantage by using the national colors on 6 July. People voted for us even though we did not have the national colors. Many thought (the picture that the senator is painting is of rural communities): 'I'm not going to vote for the little flag anymore. I'm going to vote for the Mexican Revolution, in other words, for Cardenas.'"

"If the PRD wanted to differentiate itself from the PRI, why didn't it use other colors?"

"Because people asked for them. All of the designs for an emblem came in green, white, and red. We rejected the ones that had a little flag or an eagle, because we don't want the emblem to look like national symbols. In a bid to recover our national values the people asked for those colors, which we think are ours, not PRI's. It was not a decision by the PRD board. Say that."

A politician of copious and agitated words, Munoz Ledo visibly enjoys discovering an expression that pleases him. "July 6 is like the memory of a crime that is retained in the attic of one's mind," and he repeats the phrase, relishing his own words. Like many other Cardenas supporters, he is proud of his emblem, "the best of them all," according to Jorge Alcocer. Munoz Ledo contended that "the PRD's sun has had fantastic success. I don't mean to offend, but the most appropriate name for PRI would be PIMF: Party of the International Monetary Fund."

We Are Not a Reformed PRI: Rincon Gallardo

The prevailing atmosphere at 50 Monterrey Street, the headquarters of the PMS, is one of taking stock and moving on. The people in charge of administration are drawing up the inventory of PMS assets. The PMS is now the PRD. Gilberto Rincon Gallardo, the last secretary general of the party of the historic mainstream of Mexican communism, spoke with this reporter for a half hour, taking time out from the constant meetings that dominate his daily life.

The topic does not seem to his liking, but he broaches it unannoyed.

"The PRD and the PRI are diametrically opposed parties, with clearly distinct and opposing agendas for the nation. The PRD's objectives are to transform the country's political relations and to establish a democratic system that reflects the plurality of Mexican society. It is not a question of displacing the PRI and turning the PRD into the official party."

Rincon Gallardo's tone becomes perceptibly more emphatic when he describes the PRI:

"The official party is a personal legacy of power, a political monopoly of power, the fundamental antidemocratic force, and the barrier that is preventing the political system from reflecting the country's plurality." PRI's writings, language, and documents have all lost their currency as never before, he said. But the PRD "is not salvaging what they are not fulfilling," he noted.

Of the Mexican Revolution, the apple of discord these days, he said: "It is an extremely complex phenomenon that does not belong to one party. History belongs to everyone. For what reason is the PRI claiming it for itself? Why? If anyone betrayed the historical legacy of the Mexican Revolution, it was the PRI people."

The PRD, he stated, "does not want to look at all like the PRI. We don't want a reformed PRI." Our democratic proposals, he added, are aimed at the future; we are fighting against what the PRI stands for: an excessively powerful presidency, corporatism, and the system of a State party.

Looking serious, he said, however, that PRI's arguments in favor of its claim to its ideology and colors "make me laugh." "All they need to do now," he added, "is to carry their hereditary concept of power to the extreme of portraying themselves as the owners of universal concepts like democracy."

In its press release, however, he noted, PRI does not mention the term sovereignty, which the PRD makes prominent use of, among the concepts that the ruling party claims as its own. Why might this be? he asked.

Rincon Gallardo refrained from answering one question directly, however: If we proceed to analyze the documents of the PMS and the PRI, which do those of the PRD most resemble?

"This is not the yardstick that we ought to use. It is a synthesis of the forces that make it up. That is what the PRD documents resemble. The PMS is a party that put an encounter with the nation's history and the principle of democracy out in front. That road took us to the PRD. The principles of democracy and what the PRD is calling for are consistent."

Even though the PRD's Declaration of Principles describes it as the party of the Mexican Revolution in its grassroots objectives, "which so far have gone unfulfilled or been abandoned," Rincon Gallardo asserted that no one thinks that the PRD "will be what the PRI wasn't."

He said:

"No one will gain anything by reviving that. The symbols of a residue of power are all that remains of PRI. It would be wrong for us to look back and revive the past. We are all looking forward."

He persistently denied any similarity of the PRD to the PRI:

"We would lose if we looked like the PRI. If the people came to think that we were founding a new PRI, we would lose prestige. Why should the people revive something that has lapsed and that has neither a future nor the ability to lead the country along popular and national paths?"

"I wouldn't say that" was how Rincon Gallardo answered this question: Did the Democratic Current predominate in drafting the basic documents and in forming the PRD leadership?

"We never consider numbers: this many for some, that many for others. To think about our internal workings in terms of positions is not the right path. The First Congress of the PRD will elect our leaders directly and, I hope, secretly."

One remark indicated where Rincon Gallardo will stand in the debate on the PRD's ideological profile:

"The documents are unsatisfactory," he said, "but we fully agree on the fundamentals, the substance."

The political activities of the PRD, not just its documents, will be up for discussion. For the time being the socialist leader asserted that "it is too early to tell" whether the vices of the parties of origin have been transferred to the PRD, but he acknowledged that "regrettably, various kinds of vices will be reproduced: manipulation of groups, factionalism, and authoritarianism, among others."

Involution in Bylaws

Eduardo Montes complained that all of the interested parties did not have a chance to set forth their views when the basic documents, the work of a "very small group," were drafted. And he condemned the amending of Article 6 and the disappearance of Article 7 of the bylaws, as this represents an "involution" in the rights and very existence of ideological and political currents in the new party.

"As the bylaws now stand, they are essentially no different from the ones that govern groups like PRI and PAN [National Action Party]. If the current wording prevails, the PRD will have a very top-down structure," he said.

The "involution" can be attributed, in Montes' opinion, to the "fear of some PRD leaders of taking part in the construction of a truly democratic party. It is nostalgia for a very centralized party with decisionmaking mechanisms that ultimately leave the determination of the PRD's main policies in the hands of a small group."

To Montes, there is a radical difference between the PRD and the PRI. The former unfurls the banner of the democratization of Mexican society and politics, while the latter is the main obstacle to the country's democratization.

He cautioned, nonetheless, that "naturally there are similarities that should not exist." In the first place, he indicated, the PRD's definition of itself as the "Party of the Mexican Revolution is evidence of this proximity, this similarity of ideological nature, which lessens its chances."

In Eduardo Montes' view, this definition derives "from the fact that a good many of the main promoters of the PRD have not broken with the past. They are still trying to base their agenda for a new society on a revolution that lapsed and ended many years ago. What is required today is to subject the development of the Mexican Revolution and of its governments to rigorous criticism, because although the Mexican Revolution is Cardenas (and we must not forget that with him arose corporatism), it is also Miguel Aleman, Diaz Ordaz, De la Madrid, and Salinas. The PRD has an obligation to settle accounts with the past, without which it cannot undertake a new revolution."

Montes acknowledged that "a part of the PRD is vying for the legacy of the Mexican Revolution; this is a very severe limitation, because a party that is vying for a very dubious legacy cannot go far. A legacy involves more than tenets and principles; it also involves a track record, a practice, because if only tenets were involved, we would also embrace the tenets of the French Revolution."

The socialist faction that Montes heads decided to do battle in the PRD, making their stand in SOCIALISMO, whose Editorial Board also includes Jaime Avila, Jose Encarnacion Perez, Jesus Sosa, Marcos Leonel Posadas, Jose Ramon Enriquez, and Ramon Sosamontes Herreramoro.

Montes sees in the basic documents "the great strength and influence of the CD's brand of democracy and an excessive effort at conciliation by the communists who were involved in drafting them."

Montes is dumbfounded by the shift in position on the part of communist ideologues who some time ago "settled ideological and theoretical accounts with the Mexican Revolution yet today share, accept, or acquiesce in the position that the PRD is the party of the Mexican Revolution." He refrained from mentioning names, however.

The interpretation of the Mexican Revolution has been a headache for Mexican communists. In 1960, however, they broke with "the wishful thinking that the Mexican Revolution could last forever" and proposed that a new revolution was needed. Arnoldo Martinez Verdugo was secretary general of the Mexican Communist Party [PCM].

The editor of SOCIALISMO observed that the "mixture" of the official ideology with socialist ideology "is not going to work in the PRD, except in the chapters about the democratization of the country, which are very clear and precise, although I would not say that they surpass the democratic proposals of the PSUM [Unified Socialist Party of Mexico] and the PCM, compared to which the documents of the new party are a retreat. Perhaps this is the price that must be paid for the creation of a party that can attract great masses. We shall see whether this price is necessary or not," he said.

He indicated that the similarities to the PRI "demand a break, a desirable settling of accounts," noting (on a point where he clearly clashes with views expressed by Cuauhtemoc Cardenas and Munoz Ledo) that "those who think that the deviation from the revolution began with Miguel de la Madrid are mistaken."

He went on to say:

"If they do a serious review of the governments and course of development of the Mexican Revolution, things will improve. Otherwise, they will not work."

He asserted, nonetheless, that the PRD "will jell as a party, but in the months to come we will see what sort of party it will be." It will jell, he explained, because the country needs it, even though it faces major risks because it is an extraordinarily complicated and obstacle-filled experiment. For example, it seeks to unite different political cultures with leaders who have differing and even opposing track records, training, experiences, and methods of political action."

Among the possibilities that Montes envisages, the PRD could turn into a Social Democratic Party that would serve the process of capitalist modernization, in the style of the European Social Democrats, or into a radical, advanced democratic party whose only choice will be to adopt socialist proposals.

Discussion Still Needed: Penaloza

Pedro Penaloza, a former leader of the Trotskyite Revolutionary Workers Party [PRT], a former federal deputy, and currently a promoter of the Movement to Socialism, which has joined the PRD, asserted that the party under construction (a "revolutionary" party "of the masses") is in no way based on the need to create "a twin brother of PRI."

"We do not resemble nor do we want to resemble the PRI," he said, announcing, moreover: "We will wage an implacable battle against those who would like to build a restored PRI, a hideous pretension if there ever was one."

The fact that the PRD's basic documents include traditional expressions of the revolutionary nationalists does not disgust Penaloza either ("It is not shameful"). What this reflects is simply that "there is a strong current of that sort" in the PRD. To him "the important thing is to ask oneself whether these concepts are going to be carried to their logical conclusion or whether what happened to them in the PRI, which turned them into empty propaganda catchwords, is going to happen to them here."

Agreeing with Munoz Ledo and Rincon Gallardo, he denied that the basic documents represent a "defeat for the socialist currents, because many issues have not been discussed as yet, and the patterns of groups and preliminary groups are going to be broken."

Regarding the controversy over the party's use of the national colors, he contended that the underlying problem is that PRI "has perversely appropriated the national colors and has thus sold voters the idea that it represents the interests of the nation."

The former PRT deputy said that the national colors should not be utilized by political parties, because they lend themselves to use as a lure to capture the votes of the politically backward sectors.

Furthermore, "many Mexican parties have been tempted to use the national colors in a bid to fight PRI on its own ground," Luis Javier Garrido, the author of the classic "Partido de la Revolucion Institucionalizada," has reminded us.

The National Action Party has not escaped this temptation. Article 7 of the PAN bylaws states that the party's emblem is "a silver rectangle...framing a rectangular band located in the middle and divided into three fields of green, white, and red...." Its electoral symbol is blue and white.

The Mexican Socialist Party, Garrido explains, "also fell prey, in 1987, to the temptation of using green, white, and red, combined with yellow." The PMS logic was irrefutable, the political researcher added: there was no express ban in any law against using those colors in the Socialist Party's "watermelon" or "half moon."

The tiny Social Democratic Party is another political organization that has used the three national colors on its emblem without confronting the kind of obstacles that forced the PRD to turn its voting ballots into a sort of "coloring sheet."

Garrido, a PhD in political science, also set forth his position on the use of the national colors on political paraphernalia:

"The PRI is a party that has sought illegally to replace the nation. The parties that are independent of the State, which are naturally more representative than PRI, should not themselves attempt this."

National Bank Director Outlines Economic Plan

PA1307213089 Mexico City THE NEWS in English 9 Jul 89 pp 1, 16

[Report by Christine MacDonald]

[Text] Mexico has entered the final phase of its foreign debt renegotiations but, despite concessions by its commercial creditor banks, a long process of working out details lies ahead, Antonio Ortiz Mena, general director of Banco Nacional de Mexico (Banamex), said Saturday.

He spoke at a reception after Universidad de las Americas graduation ceremonies in which he and Paul Volcker, former chairman of the U.S. Federal Reserve, gave keynote addresses and received honorary degrees from the university.

Ortiz Mena said Mexico's debt will not disappear as long as the country pursues a "productive process" of economic development. "The productive process implies constant loans and constant payments," he said.

"We are going to have to import goods and services for production, so we must ask for loans," he said.

Despite the breakthroughs reported Friday in the debt negotiations, a final solution will take time, because more than 800 commercial banks are represented at the talks in New York, Ortiz Mena said. The banks' representatives and Mexico are working on a plan to renegotiate 54 million dollars of Mexico's 100-billion-dollar foreign debt.

"Mexico is offering several different solution avenues," the banker said. "Each (creditor) bank will take the route it considers most convenient."

News agencies on Friday reported that Mexico and the banks had agreed on a 35 percent discount on the debt's principal, plus interest rate reductions. As of late Saturday there was no official confirmation of the report.

In his address to the 222 undergraduates and graduates from 22 countries, Ortiz Mena stressed that in the short term, Mexico's economic recovery is dependent on two factors. The country must bring down inflation to the level of its trading partners and reach a debt negotiation that will allow it to reduce net resource transfers.

But, both Volcker and the banker agreed that in the long term, the result of debt renegotiations will play a minor role in Mexico's development, while much will depend on the country's commitment to growth.

"A firm and durable process of economic development requires that everyone participate, and that savings grow and are channeled into productive investment," said Ortiz Mena, who served as Inter-American Development Bank (IDB) president. He served twice as Finance Secretary, in the Adolfo Lopez Mateos and the Gustavo Diaz Ordaz administrations, and a slew of other top-level government positions in a career as a Mexican functionary that spans more than 30 years.

Volcker, a long-time U.S. bureaucrat who held the top position at the Fed for eight years, agreed that a favorable renegotiation will provide a base for solid growth as well as a psychological lift.

But, the economist said factors such as international interest rates and a commitment to development by the entire nation will have a longer-lasting and more significant impact on growth.

Ortiz Mena devoted much of his address to reviewing Mexico's advances in economic modernization—particularly its the financial system [as published]—and outlining economic objectives the government hopes to reach.

As in industrialized countries, where small savers provide the bulk of the banking system's funds, Ortiz Mena would like the Mexican banking system—which is owned by the state—to increase domestic savings by cultivating clients with small- and medium-sized accounts.

"As we enter a period of stability, we must capture the most small- and medium-sized savers possible, not only to put in action new financial systems, but also to help reconstruct a savings-oriented culture in our country," Ortiz Mena said.

"The popular bank, newly created at Banamex, has this important task—to implement a series of mechanisms that attract the population to savings accounts and to the use of bank services to purchase durable goods," the Banamex president said.

The idea, he said, is that small-scale savers will supply funds that will earn interest. The funds will be loaned at competitive rates to the private sector to fuel productive investment projects.

In his speech, the Mexican functionary warned that inflation is the greatest enemy of savings. To avoid that danger, Mexico must begin a new anti-inflationary program when the Pact for Economic Stabilization and Growth (PECE) expires next March, Ortiz Mena said in the press conference.

He added that Mexico will only be able to abandon the controls when it can reduce inflation to the rate of its trading partners—about 5 percent annually—and maintain that level.

1st Trimester Trade Balance Shows Surplus

PA1407213089 Mexico City UNOMASUNO in Spanish 12 Jul 89 p 16

[Text] The Programming and Budget Secretariat reported last night that Mexico's trade balance with the rest of the world registered $245.2-million surplus during the 1st 4 months of 1989, a result that compares favorably with the $716.7-million deficit observed during the last 4 months of 1988.

Total foreign sales amounted to $7.3439 billion, which represents a 4-percent increase over the same period in 1988. Of this total, two-thirds correspond to nonpetroleum products.

The secretariat pointed out that the export value of manufactured products increased nearly 9 percent, and it insisted that this compensated for the decreases observed in the export of nonpetroleum products.

As for the value of imports, these amounted to $7.0987 billion during the 1st 4 months of 1989, which represents a 38-percent increase over the January-April 1988 period.

Mid-level goods [bienes de utilizacion intermedia] account for 56 percent of the import figures; consumer goods account for 27 percent; and capital goods account for the remaining 17 percent.

He emphasized that 40 percent of this increase in purchases and consumer goods is linked to the purchase of meats, milk, and gasoline.

Based on this information—provided by the National Statistics, Geography, and Information Institute; the National Customs Directorate of the Finance and Public Credit Secretariat; and the Bank of Mexico—the Programming and Budget Secretariat pointed out that the private sector's sale of manufactured goods increased 12 percent during the 1st 4 months of 1989.

Concerning petroleum exports, these improved because of a better international price of crude oil, which allowed a 13-percent increase over the real value, despite a slight drop in foreign sales.

Total oil sales were approximately $2.5439 billion, a 6-percent increase over the amount registered during the 1st 4 months of 1988.

Agreements Signed for Cooperation With Belize

PA1707191589 Mexico City THE NEWS in English 15 Jul 89 p 2

[Text] The Mexico-Belize Interparliamentary Meeting ended Thursday as legislators from both nations signed agreements for joint cooperation in dealing with issues of concern to both nations such as: drug traffic control, ecological preservation, tourism, refugees and Central American conflicts.

The document was signed by the head of the Mexican legislative delegation Sen Maria Cristina Sangri Aguilar and by Belizian counterpart Hon Dean Lindo as well as by each of the participating legislators.

Both legislative delegations said migratory movements are provoked by economical imbalance and political intolerance in their nations. Therefore parliamentary delegations agreed to protect Mexican and Belizian interests with strict border controls and demanded that the refugee problem demands special attention by the governments from which they are escaping.

The legislators condemned world drug trafficking and called for a global policy to recognize that illegal production is generated by a consumer market in industrialized nations.

The issues discussed included: greater cooperation to develop the Caribbean corridor that includes Cancun, Chetumal and Belize, as well as the creation of flight routes and joint tourism investments; permanent ecological information exchange between the two countries and greater commitment to avoid the involvement of "other nations" interested in the preservation of their ecological reserves.

Consuls in Romania, Bulgaria, Ethiopia To Close

FL1707194489 Mexico City NOTIMEX in Spanish 1935 GMT 15 Jul 89

[Text] Mexico City, 15 Jul (NOTIMEX)—The Mexican Foreign Secretariat has said that Mexico will temporarily close its diplomatic headquarters in Bulgaria, Romania, and Ethiopia because of budget problems. The daily newspaper, UNOMASUNO, said in an article today that this decision is one of a number of economic measures planned by the government.

The Mexican Foreign Secretariat said that on 4 July, its diplomatic representatives in Bulgaria, Romania, and the charge d'affaires in Ethiopia, were informed of the decision to temporarily close its installations in those nations. The Foreign Secretariat added that this indefinite closure will not affect the excellent ties of friendship and cooperation that unite Mexico with those three countries.

El Salvador

Students Wounded in Shooting at University

PA1807025089 Panama City ACAN in Spanish 0215 GMT 18 Jul 89

[Text] San Salvador, 17 Jul (ACAN-EFE)—At least eight Salvadoran students were wounded tonight in heavy gunfire at the University of El Salvador, in northwest San Salvador, humanitarian organizations reported.

A Red Cross spokesman said that at least eight students were wounded by gunfire while hundreds more remain trapped in classrooms.

At this time, there is confusion regarding where the gunfire is coming from.

The Army charges that the students "provoked" the soldiers guarding the university when they threw Molotov cocktails at them and opened fire with Soviet-made AK-47 rifles.

The university students claim that the Army hurled bombs at the university and opened fire on the students.

Gunfire and grenade and rocket explosions have prevented Red Cross and Green Cross ambulances and the press from entering the university campus.

Mauricio Mejia, secretary general of the university, accused the soldiers of provoking the students, and he reported that a fire has begun in the computer building.

Meanwhile, Colonel Francisco Helena Fuentes, commander of the 1st Infantry Brigade, located near the university, denied that anyone was wounded in the incident or that soldiers, "who had been provoked by the students," opened fire on them.

American Reportedly Injured

PA1807041289 Hamburg DPA in Spanish 0330 GMT 18 Jul 89

[Excerpt] San Salvador 17 Jul (DPA)—Mauricio Mejia, general secretary of El Salvador University, reported that approximately six persons were wounded in a shoot-out that took place when soldiers entered the university campus and began shooting randomly.

One of the persons wounded was a U.S. student who was visiting the university. Members of the Red Cross identified the U.S. student as Roberto Brenow, 26.

According to some reports, the students held a demonstration late in the afternoon to demand that the government withdraw troops from the university area and release students who had been arrested.

After the demonstration ended, explosions were heard and soldiers began shooting from different locations around the university. After dark, soldiers entered the university campus and began firing randomly and the sound of exploding Molotov cocktails, which panicked the students, could be heard across the campus. [passage omitted]

FMLN Reports 24 Casualties in Chalatenango

PA1607005289 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2315 GMT 15 Jul 89

[Text] Attention, Salvadoran people. This is our war bulletin from the Modesto Ramirez Central Front in Chalatenango Department.

On 15 July, guerrillas began the operation called We Will Defeat ARENA's [Nationalist Republican Alliance] Dictatorship by Hitting the Puppet Army. This operation was carried out against two positions of the 4th Infantry Brigade's Azmitia Battalion stationed in Chalatenango, specifically against an IRA [Institute of Supply Regulation] center in San Jose El Carao, El Paraiso. This is how the operation was carried out:

Simultaneous attacks were carried out on three of the Army's fortified peripheral defense positions. One of these positions was completely destroyed, resulting in 11 enemy deaths. Four additional casualties were inflicted on the enemy in the three other defense fortifications, which were also destroyed.

We also attacked the main supply center facilities and stormed three defensive positions in the interior. As a result of this attack, four of the enemy were killed and five were wounded. In addition, we destroyed the offices, a grain dryer, and damaged the storage bins and grain storage areas. We ended the attack by setting the entire facility on fire.

The following military equipment was seized from the enemy during this victorious operation: 3 M-16 rifles, 3 full sets [not further identified], 1 M-79 grenade launcher with 9 grenades, 550 5.56-mm rounds of ammunition, 2 100-cartridge M-60 ammunition belts, uniforms, boots, and other military supplies.

One hour after the attack began, the enemy was reinforced by a rocket firing helicopter, one push-pull O-2 aircraft, and one C-47 aircraft. In addition, the enemy received artillery support from the areas above the installations under attack, but this fire and the air support were ineffective. The C-47 aircraft strafed Las Penas, completly disregarding the civilian population, a repressive action we vehemently denounce.

Later, at 0300, the enemy troops were reinforced by two armored personnel carriers and four military trucks, which took troops to a place near the IRA installation. These reinforcements were quickly neutralized by our rifle fire. In addition, the operation included a large number of militiamen and rebel troops, who erected roadblocks on the streets of Nueva Concepcion, blew up six telephone posts, placed a large banner across the street, and distributed propaganda. Other propaganda activities occurred in San Jose Patares, La Siembre, Guayabito, and Horcones in La Palma jusrisdiction.

In all, we inflicted 24 casualties, including dead and wounded, on the 4th Infantry Brigade; however, we lost Comrade Otoniel in the attack.

Honduras

Nicaragua To Reduce Diplomatic Personnel

PA1807040489 Hamburg DPA in Spanish
2228 GMT 17 Jul 89

[Text] Tegucigalpa, 17 Jul (DPA)—Nicaragua will reduce its diplomatic personnel in Honduras. It has been announced that five members of the Nicaraguan mission will leave Honduras at the end of July after the Tegucigalpa government urged Managua at the beginning of July to have the same number of personnel as in the Honduran Embassy in Nicaragua.

Nicaraguan Ambassador to Honduras Francisco Lacayo Parajon made the announcement as he left the presidential house after a meeting with Honduran President Jose Azcona Hoyo.

Lacayo Parajon said the five diplomats will return to Nicaragua, but he did not explicitly state that their departure is due to the Honduran request. The Honduran Foreign Ministry said on 5 July that the personnel of both embassies had to be the same, adding that the number in the Nicaraguan mission was excessive and unjustified.

Honduras said that several Nicaraguan diplomats have the task of encouraging and establishing contact with Honduran subversives. Honduras maintains, in Managua, 3 officials with the rank of diplomat, and 5 full-fledged diplomats, while Nicaragua maintains, in Tegucigalpa, 12 diplomatic officials, 4 administrative officials, and 6 domestic staff members.

* COCOCH Threatens Further Land Seizures

32480167b San Pedro Sula TIEMPO in Spanish
24 May 89 p 8

[Text] Tegucigalpa—The peasant farmer organizations threatened yesterday to re-occupy the idle land owned by Conadi [National Investments Corporation] in Comayagua, in view of the refusal by the executives of that corporation to negotiate that land with the INA [National Agrarian Institute].

The members of the COCOCH [Council for Coordination of Honduran Tenant Farmer Organizations] vented their dissatisfaction at being unable to hold the meeting they had planned to have with the officials of Conadi and INA.

Members of COCOCH came to the offices of TIEMPO to report that Conadi Vice President Rosman Martinez, the attorneys of that institution, and the manager of Agricola de Honduras in Comayagua, Rene Duron, had arrogantly refused to negotiate simply because the head of INA himself, Raul Flores Gomez, was not there to head the INA delegation, which consisted only of INA attorneys Porfirio Orellana and Lesly Ondina Benjamin and the INA regional manager in Comayagua, Jorge Cerna.

The secretary general of COCOCH, Ines Fuentes, said that the members of COCOCH will meet today to decide what action to take concerning the 3,500 manzanas of Conadi land which were occupied by 458 peasant families during the massive land seizure carried out on the first of this month.

Fuentes indicated that COCOCH is standing firm on its position that these idle lands must be distributed to the peasant farmers and not left in the possession of businessmen who contributed to the bankruptcy of Conadi, such as those of Mejores Alimentos and Agricola de Honduras.

She warned that COCOCH will order that those lands be re-occupied by the peasant families if the Conadi executives refuse to dialogue with the INA authorities and the peasant farmers organization officials.

* Land Seizures Related to Desertification

32480167a Tegucigalpa LA TRIBUNA in Spanish
15 May 89 p 6

[Article by Antonio Pineda Green]

[Text] Land seizures by the peasant farmers are threatening extinction of the municipal catchment basins around Choloma, Cortes, where approximately 37 manzanas of forest land have been preempted and a very costly industrial project has been endangered.

The ruthless cutting of trees is damaging the water sources of the "LA Uva" gap from which the Sulfonation and Glycerine Production and Recovery Plant, built by Empresa Quimicas Dinant at a cost of 10 million lempiras, draws its water supplies

Originally, a peasant farmer group calling itself the "Doctor Roberto Suazo Cordova Group" had seized all of the property's high ground and mountainous terrain, but the INA [National Agrarian Institute] issued to the company a "certificado de no afectacion" ["certificate of nonpreemption"] dated 17 April 1985.

Prior to this solution, an agreement had been signed with this group, on 16 September 1983, and endorsed by the INA regional chief in San Pedro Sula, which provided for the eviction of the squatters from occupied lands.

Then, during the first months of 1988, another peasant group calling itself "La Uva No. 2" seized the southern part of the property and began clearing an area of approximately 37 manzanas of high ground by burning, to plant corn and beans.

This new action was disallowed by the INA Regional Office, which, on 1 July 1988, called upon the Public Security Force to evict the peasants.

Prior to this incident, the company had brought suit against the leaders of the group, who were arrested and subsequently released upon payment of personal bail, after which they proceeded to carry out still another land seizure.

Following the above-mentioned eviction, the company found it necessary to contract for private security services to protect the zone and avoid further damage to its property.

Meanwhile, personnel of the Choloma Municipal Administration and of Cohdefor [Honduran Corporation for Forest Development], concerned about the serious damage the peasants had caused in the mountainous part of the property, met with company executives to lay out a plan for repairing the zone that had been seized.

This joint effort took the form of an agreement under which the company will finance the reforestation program.

A portion of the program—involving the setting up of a tree nursery by Cohdefor to reforest not only the seized area but also the entire zone of Choloma—has been carried out.

This enabled the planting of approximately 3,000 trees of different varieties in the area cleared by the peasants to get under way. However, the project has remained at a standstill as a result of further actions by the La Uva No. 2 peasant farmer group.

The seriousness of the problem being generated by the peasant group was the subject of a memorandum forwarded on 17 October 1988 by the head of the Cohdefor Regional Office, Norma de Orellana, to her superior, Marco Tulio Funez, in which she presented an objective report of the case.

The document concludes that the seized zone is basically forestland which has been reserved for use in maintaining the level of source waters feeding the streams that provide the region's water supply. It recommends categorically that temporary growing of crops and clearing of the land not be allowed under any circumstances whatever.

In response to a note addressed to the Cohdefor regional director by the INA regional director, the latter official confirmed that the zone being claimed by the La Uva No. 2 peasants is natural forestland and that it must be reforested in order to protect the Choloma river catchment basins.

Meanwhile, the Quimicas Dinant company has been paying the Choloma Municipal Administration the real estate tax at the rate for an urban zone reserved for industrial uses.

Furthermore, the company made capital investments in fixed plant and machinery amounting to some 10,000,000 lempiras when it installed a Glycerine Production and Recovery Plant. The Plant began operations in March and is to replace imports with domestic production, which heretofore has been nonexistent in this country.

The Sulfonation Plant is scheduled to begin operations this September to cover exports to the Central American area, and will generate jobs for the CEDEM [expansion unknown] colonia [urban community]. The Plant borders on the property of Empresa Quimicas Dinant.

The problem requires effective action to preserve the catchment basins, under a national plan that must include environmental education.

* Economic Statistics, Investments Analyzed

*32480167c San Pedro Sula TIEMPO (MARTES FINANCIERO Supplement) in Spanish
23 May 89 pp 2, 3*

[Article by Maria Antonia de Benitez]

[Text] For those with an eye for statistics, herewith are the most recent: Except for Panama, Honduras is the country with the highest urban unemployment rate in Latin America and the Caribbean., and its foreign debt rose from $3.101 billion to $3.23 billion last year.

The figures were taken from the recently published financial reports by the ECLA [Economic Commission for Latin America] and the IDB [Inter-American Development Bank], which cite that urban unemployment in 1987 attained an average annual rate of 11.3 percent in Latin America, but 20.8 percent in Panama, 13.1 percent in Honduras, and 12 percent in Guatemala.

Another exceedingly interesting figure: During 1986, some 146 billion lempiras registered as private capital disappeared from the country—a phenomenon well known as capital flight.

But if the figures are compared, the results of that flight exceed logic. In 1984, there were in Honduras 393.8 billion lempiras invested by private enterprise. This sum dropped to 226 billion in 1985, and to barely 80.2 billion in 1986.

What could have so frightened the businessmen? The annual reports for that year cite three factors: The transition from former President Roberto Suazo Cordova's administration to that of Jose Azcona Hoyo—in other words, the continuation of the Liberal Party in power; the reaching of agreement on the PUN [National Union Pact]; and the recommendations by multilateral financing agencies such as the IMF, the World Bank, and AID, that the country institute a severe economic readjustment program. That prescription has always led to the devaluation of the lempira, according to former President Suazo Cordova's report.

Honduras also makes a poor showing with respect to other countries in the area as regards foreign investments. For example, while in 1987 Costa Rica received $83.1 billion in the form of foreign capital investments, only $30 billion, or $53.1 billion less, were invested in Honduras. Versus Guatemala, the differential was $60 billion, in that the Guatemalans were able to attract $90 billion in foreign capital during that year.

Results were equally disappointing with regard to exports, despite the huge advertising outlay by the government and private enterprise in an effort to promote them.

During the years 1985, 1986 and 1987, Honduras' level of goods and services exports to the North American and European markets was below those of Costa Rica, Guatemala, and Panama. In 1987, Costa Rica's exports totaled $2.421 billion, Panama's $2.269 billion, Guatemala's $1.584 billion, and Honduras' remained at a fairly constant 1985-1987 level, which ranged between $1.250 billion and $1.34 billion.

And if we compare imports as against exports over the past 5 years, we will have a clearer idea of what is happening to the relatively small amount of foreign exchange arriving in this country. In 1980, Honduras spent $1.355 billion on imports and earned only $1.216 billion on exports.

In succeeding years, exports have only slightly exceeded imports: In 1987, for example, the difference was barely $138 million, and in 1986 only $118 million.

Figures for urban unemployment, as reported by the IDB and ECLA, would indicate that except for Panama with its 20.8-percent rate, Honduras, with 13.1 percent, has the highest jobless rate in Latin America and the Caribbean; however, the report fails to include countries such as El Salvador and Nicaragua, which claimed unavailability of figures. An Urban Work Force Survey carried out in Honduras in 1986 and subsequent official surveys, together, reveal a steady rise in annual rates of open urban unemployment: The rate was 10.7 percent in 1984, 11.7 percent in 1985, 12.1 percent in 1986, 13.0 percent in 1987, and 13.1 percent in 1988.

As the unemployment rate has risen, so has the level of indebtedness to foreign financial organizations—a debt that 6 years ago totaled $2.162 billion and is now running around $3.230 billion, or $1.068 billion higher.

The unemployment rate and foreign debt balance appear to be the only figures that withstood the zero-growth policy imposed by President Azcona's Administration, an administration that was criticized as having devoted itself—in the economic area—solely to prolonging the problems rather than resolving them.

Nicaragua

Ortega Opens Symposium, Comments on Bush

PA1707215289 Panama City ACAN in Spanish 2043 GMT 17 Jul 89

[Text] Managua, 17 Jul (ACAN-EFE)—Nicaraguan President Daniel Ortega today inaugurated the Democracy and Revolution Symposium with a speech in which he harshly criticized U.S. President George Bush for trying to solve the problems of Hungary and Poland and forgetting about those of Central America.

Over 500 guests from 50 different countries are attending the symposium, which officially opens the festivities commemorating the 10th anniversary of the Sandinist revolution.

After regretting the absence of the U.S. participants "we had invited," including Jeanne Kirkpatrick, former U.S. ambassador to the United Nations, and former U.S. President Jimmy Carter, who were invited so they could see the Nicaraguan situation "first hand," Ortega attacked President Bush.

Ortega said: "Bush is now trying to solve the problems of Hungary and Poland, but he is forgetting to solve the problems of Central America and the Caribbean region."

Ortega stated that the two socialist countries [Hungary and Poland] must solve their problems "without interference" and added that Bush wants to democratize Hungary and Poland and "denies Central America its right to democracy."

The Nicaraguan president said: "The United States has never been interested in democracy, and we only hope that it abandons its warmongering policy in Nicaragua so that we can attain democracy and freedom here."

Ortega advised the "Latin American peoples" to confront U.S. interference now, "because it is better to confront it now than to later have to fight revolutionary armed groups that appear as a result of the unfair social system that prevails in Latin America."

After discussing the serious crisis Latin America is experiencing, Ortega said the Latin American countries have vast resources that can serve to repair their battered economies.

Ortega said: "Economic changes will indeed take place despite the North's desire to subjugate the South."

He also attacked "certain Latin American and European Governments that tell us that they can do nothing because the United States is not going to change." He asked: "What would have become of history had we all followed that attitude? No progress would have been made and Hitler probably would have succeeded."

"The United States must abide by the Hague court ruling (which in June 1987 condemned the U.S. policy against Nicaragua and ruled that it had to halt military actions against that country) or we have no other solution but war," the Sandinist leader added.

Ortega recalled many events during the past 10 years of the revolution and denied that the revolution is atheist, "because we have always respected the people's feelings and they are Catholic."

The president noted: "There were 293 priests in Nicaragua prior to the revolution, and there are now 420. In addition, we subsidize 173 private religious schools."

He cited the literacy campaign, the land grants to peasants, political pluralism "with the existence of 22 parties," and freedom of the press, "although we have had to adopt measures against some of the media for some time, because of the war," as achievements of the revolution.

Former Mexican President Luis Echeverria, 1980 Nobel Peace Prize winner Adolfo Perez Esquivel, Ecuadoran painter Oswaldo Guayasamin, and Peruvian United Left leader Alfonso Barrantes were among the personalities who attended the opening of the "Democracy and Revolution" symposium.

U.S. Film director Oliver Stone ("Platoon" and "Wall Street"); actor Kris Kristoferson; Venezuelan Deputy Presidency Minister Beatriz Rangel; Rafael Rodriguez, general secretary of Mexico's PRI [Institutional Revolutionary Party]; and Aleksandr Vlasov, chairman of the Soviet Council of Ministers, also attended the event.

The Spanish delegation included former Interior Minister Rodolfo Martin Villa; Joaquin Ruiz Gimenez, former public defender; Jordi Sole Tura, senator of the Spanish Socialist Workers Party; and Juan Trias, member of the Spanish Communist Party's Central Committee.

Official Interviewed on Land Expropriations

PA1407165789 Managua BARRICADA in Spanish 11 Jul 89 p 3

[Interview with Jaime Wheelock, minister of agricultural development and agrarian reform, by unidentified BARRICADA reporter; date and place not given—"Property Must Fulfill a Social Function"]

[Text] Despite the COSEP's [National Council of Private Enterprise] intimidating order for groups within UPANIC [Union of Nicaraguan Agricultural Livestock Producers] to withdraw from the national production commissions, UPANIC members continue to attend the meetings organized by the government. Their position creates a new estrangement between them and their political leaders.

However, some businessmen have regarded the expropriations from the three leaders who spearheaded an attempt to organize a farmers' revolt as a signal that the government will discontinue the joint-effort process, and they fear this indicates that the government has decided to continue the expropriations.

To explain this situation and to establish how the government views its relations with private businessmen, BARRICADA interviewed Commander Jaime Wheelcok, agricultural development and agrarian reform minister.

BARRICADA: Has the joint effort with COSEP businessmen failed in the wake of the expropriations against Nicolas Bolanos, Jaime Cuadra, and Arnoldo Aleman?

Wheelock: COSEP has opposed the joint-effort program from the start and felt the government efforts to foster a climate of understanding posed a danger to its objectives of waging economic warfare and breaking down the revolutionary process.

However, since we began the joint-effort program, most farmers have gone along with it with a more positive attitude of understanding, rapprochement, and work. A large number of private farmers are currently investing in coffee, cattle, and other export crops. I know instances of farmers who have brought back the profits they had taken out of the country. I think this will be reflected in higher meat, coffee, and cotton exports, which also comes as a result of the joint effort.

BARRICADA: How is the COSEP leadership reacting now?

Wheelock: They tried to use this situation to widen the gap that existed between the COSEP and the government, and they issued a written order to farmers to withdraw from the national commissions. This action constitutes a clear desire on COSEP's part for total warfare. But what has happened? Fortunately, few farmers complied with that order. The coffee growers did not heed it. I just received an official communication from ADAL [Association of Leon Cotton Growers] indicating they are not pulling out of the national commissions, although they voiced their disagreement with the expropriation measures. Moreover, only a handful of the cattlemen and poultry and dairy farmers working in the national commissions have not attended the meetings.

BARRICADA: How do you regard the failure of COSEP groups to obey their leadership?

Wheelock: It is the reaction of farmers who do not not want to get involved in political squabbles and want to produce. That is why most of them chose to attend the national commissions' meetings to continue hammering out an agreement with production sectors and the government regarding production problems. We have often stated that we do not want the commissions to become politicized because of the many differences of opinion you find in them. Politicizing them would make it impossible to work for the common good of production.

Farmers Must Play a Useful Role.

BARRICADA: Has your government decided to continue the expropriations?

Wheelock: In this political clash, the government is going to decisively defend itself against those who continue to wage an all-out war against the economy. We do not expropriate anyone's property because of his political views. However, we carry out expropriations against those who, because they control property, want to abuse their role and call for a total paralysis of production and have even used farming and production as a means with which to blackmail the government and its people. We have implemented expropriations against those who have wanted to turn their properties into weapons against the revolution.

If Bolanos had made a speech in his party's office, that would not have bothered us. However, Bolanos and Cuadra made their speeches during meetings they had organized with coffee growers, not to discuss economic measures related to coffee, but to paralyze coffee production and to take advantage of the coffee growers' unhappiness over some economic measures by turning this dissatisfaction into a rebellion or into a farmers' political strike, and at the same time they were calling for the overthrow of the government. They adopted a dictatorial stance to deal with those who disagreed with them. These people ignore the revolutionary government and want to deny it the right to manage the country's economy.

BARRICADA: What responsibility do private farmers bear for the drop in production of some agricultural products?

Wheelock: We must admit that, although the agrarian reform that ended Somozism and the idle land-owning oligarchy created thousands of new owners, it also frightened and disheartened large land owners and they cut their production, chiefly of agricultural export products.

Admittedly, international prices have fallen, but we noted with concern a downward trend in private large scale production, and we are planning to make a recovery in the years ahead the revolutionary government's chief goal.

That is why the government undertook the joint effort program, and this entails work for small-, medium-, and large-scale producers alongside the government through measures designed to unite them to boost production. We ask all of them to do their share, make concessions, and foster a climate for joint work amid the major difficulties the country is experiencing.

The situation is complex, and the state recognizes private producers must be ensured two basic things: guaranteed ownership and the legitimacy of their role as organizers of production. Producers must play a useful role by changing the negative image the people had of them during Somoza's times. Likewise, each businessman must understand that workers are living under harsh conditions and that they must make big sacrifices to raise production to earn wages that barely allow them to scratch out a living.

The Constitution Guarantees Efficient Ownership.

BARRICADA: What is the state specifically asking of producers as part of the joint effort?

Wheelock: To refrain from underreporting profits, to work, to invest, to bring back foreign exchange they sent abroad, to live in the country, and to adopt a responsible attitude toward their workers, meaning a modern conduct different from that of a feudal lord that existed during Somoza's times.

BARRICADA: Can businessmen trust this revolutionary model?

Wheelock: The revolution has been telling businessmen for months that we must unite and establish a long-term pact to increase production. We have even stated this is a patriotic, necessary, and historic task. During this period of crisis, we must set aside ideological and political differences and undertake the task of working for the good of Nicaragua, through reciprocal commitments, thus creating a framework of trust that will encourage all of us.

[BARRICADA] Does this revolutionary model guarantee a secure future for producers?

[Wheelock] Producers will have a secure future in Nicaragua as long as they realize that it was absolutely necessary to change Nicaragua and create a new society; they must also realize that there is a place for them in that society. Moreover, the revolutionary constitution guarantees property ownership that serves a social function.

Property ownership is no longer viewed as it was in the 1890 Civil Code: perpetual, indisputable, and exclusive. Instead, it is considered a social function. Producers must understand that they live in a revolutionary society that pursues humanitarianism and that the people and society come first.

If COSEP Does Not Change Its Position

[BARRICADA] What would happen if, in the confrontation between the nation and the empire, the COSEP insists on taking the empire's side?

[Wheelock] So far the COSEP's official right-wing position has been one of confrontation, not only against the government but also against the country's socioeconomic and political system. Its attitude is one of continuous rebellion, which encourages strikes and aggression and aims to overthrow the government. This position is defeatist and adventurous, and it will force the government—sooner or later—to seize the properties of those who follow that line of thought.

The government has made various appeals for harmony. The time has come for the COSEP to change its position and its confrontational attitude because—to my way of seeing the situation—we are going to be left with a mixed economy of small-, medium-, and large-scale patriotic producers who understand the socioeconomic model this generation is implementing in Nicaragua. Furthermore, this model is no different from those being implemented in other countries.

In southern Spain, for example, all large estates are being broken up, and in El Salvador, the law states that properties larger than 200 manzanas must be seized. The Nicaraguan Government has even been moderate: Medium and large properties will play a role when agro-industrial production begins.

I believe, in short, that a social pact is necessary despite the COSEP's refusal so far to make a concerted effort. Instead, the COSEP has chosen to outlaw itself.

* FSLN Leader Carrion on Elections, Economy

*32480173b Managua BARRICADA in Spanish
6 Jun 89 p 3*

[Interview with Carlos Carrion Cruz by Sylvia Torres; date and place not given]

[Text] With less than 40 days to go before the 10th anniversary of the revolution, we interviewed Carlos Carrion Cruz, the political secretary of the Third Region, the main site of the festivities.

Carrion contends that most of the population has seen its identification with the FSLN [Sandinist National Liberation Front] intensify and that this identification expresses itself at present in a more committed attitude towards and an embracing of the revolutionary agenda.

The FSLN leader talks about the opposition's rallies in Managua, the economic crisis, Sandinism's social base, and the nature and impact of DIARIO LA PRENSA's political campaign.

[BARRICADA] The FSLN is said to be worn out because of the economic crisis. Has Sandinism's social base shrunk?

[Carrion] The magnitude of the crisis and the economic difficulties obviously sharpen social discontent, but this does not translate automatically into a political identification with the enemy.

The battle for daily survival entails enormous sacrifices and demands major efforts and reflections by the people, and the identification of the people of Managua with Sandinism has gone through different stages and displayed different qualities.

The political consensus around the FSLN is not based now on its repairing a street or providing more transportation but rather on the conviction that the FSLN is the best and only option for the country.

[BARRICADA] There is not the same enthusiasm as on 19 July 1979.

[Carrion] The all-out enthusiasm of the population at the time of the revolutionary triumph began to consolidate on the basis of material transformations that enabled them to identify the nature of this government and the interests that it defended, but this was a shallow identification.

War begins to demand involvement, giving, not just receiving; it requires not just anything but that which touches a family most deeply, mobilization for defense, at the risk of losing one's life. This was the first ideological struggle.

It was up to each sector, in its day, to contribute a major share of well-being, even through the conflicts in which they developed their awareness, until in 1989 they embraced the agenda of the revolution and said to themselves: "So strongly do I believe in this, so much is it mine that I am willing to sacrifice myself, to run risks, to take initiatives."

One indicator of revolutionary awareness is the numbers with which we will celebrate 19 July. More than 12,000 persons in Managua, not including the members of the FSLN and Sandinist Youth, have organized in 500 10th Anniversary Committees.

You know, one of the most interesting things is that comrades who were retired have joined up and are returning to the Front now that times are tough. The same goes for the growth of the party. Last month we grew more than the entire previous year, and from now until August we will double our membership throughout the region.

[BARRICADA] If the economic crisis is a cause of social discontent, how are the Sandinists dealing with the current situation?

[Carrion] In the same way that they usually do, even in the most troubled times: by going to the people, talking, explaining what the causes are, and seeking with them the solutions to their problems.

This does not mean going house to house and explaining the national budget. It means consolidating the ideological effort at embracing [Sandinism] so as to unleash initiatives for survival and solidarity.

In the labor movement and among young people and teachers these two factors have enabled us to solve some problems even though economic conditions have worsened. The Front could suffer severe political wear and tear if we were unable to deploy these two basic elements at the lowest level, where public opinion is formed.

[BARRICADA] Speaking of discontent, does the teachers union still identify with the revolution and the FSLN?

[Carrion] The enemies of the revolution could be lapsing into wishful thinking once again. The crux of the matter is that the people embrace their government, regard it as their own, criticize it and make demands of it, and the recent situation among teachers is proof of what I am saying.

Political manipulation was rejected almost everywhere, even by those who held the most radical positions.

The teachers are obviously in a tough, difficult situation. Determining whether they are better or worse off than other sectors is beside the point. Nonetheless, the real, not pro-forma rejection of the strike reflected a leap forward in their awareness.

The ideological debate among teachers made it possible, in spite of the enemy's tremendous propaganda, to come up with rank-and-file and government initiatives, to make adjustments to cope with the difficulties that they are going through.

[BARRICADA] But their underlying demand still stands....

[Carrion] The demand for a wage reassessment was not resolved. Daniel explained to them: it can't be done. I think that LA PRENSA hoped that for vote-getting purposes he would say: "Here's your raise," and I think that to the paper's regret, its headline the following day ("Daniel said no") is the best testimony of the FSLN's truthfulness and consistency and of the teachers' ideological steadfastness.

LA PRENSA hoped to start a brush fire with that headline, and it did not. The important thing is that the teachers clearly realize that they have to keep on working towards solving a number of problems. That's the important thing!

[BARRICADA] What is your assessment of the opposition's rallying power among the people of Managua?

[Carrion] The right's problem is that over these past 10 years it has been trying to get the United States to hand it the government and neither developed its organizations nor organized its forces.

The Sandinist Front began to organize on the basis of this country's most important social and economic activities: the literacy campaign, the agrarian and urban reform, the vaccinations, military defense.

They never showed the slightest concern about universal vaccination, about the hurricane, and did not get involved, not because anyone was preventing them but because the interests of the people are not on their agenda.

They were not even consistent in their campaign against the Military Service, because when a boy was killed, it was the Sandinists who shared the grief of the mothers of these heroic combatants, and I do not mean to deny that many families regarded the death of their sons as an assault by the FSLN.

[BARRICADA] So what are the basic differences between the Sandinist and the rightist campaigns?

[Carrion] The basis of the right's mobilization is political opportunism. They show up in the places where there is conflict and offer something; they think that because they show up there they are going to get results, support.

Their organizational technique is to offer money. They offer to buy a pump for a well or some other service in exchange for having steering committees formed for this or that party.

They do not base their campaign on identification with the population, on a systematic relationship with and guidance of the community so that it can cope with its problems in an ongoing way. You can see that during the rightist rallies the people do not know what they are rallying for.

[BARRICADA] Are some sectors pressing for concessions?

[Carrion] They have even said to us: "Look, we're voters," and we consistently reply to them that we do not go around buying votes. Why? For the simple reason that someone is behind the front because he believes in us and embraces the revolutionary program.

If I buy a vote with a concession, I get no guarantee. There is always going to be someone who is going to offer more. Those who sell themselves, sell themselves; that's their problem.

We know that millions of dollars are going to come in here to buy whatever can be bought. We are certain that most of the people cannot be bought. The FSLN is completely confident of victory in spite of all the economic restrictions.

[BARRICADA] What do you think of LA PRENSA's political campaign?

[Carrion] Their weakness is that their lead players represent the most shameful past. And their actions, their traits, and their personal qualifications invalidate their arguments.

LA PRENSA has systematically supported the funding of the counterrevolution and the economic blockade; it joined COSEP [Higher Council of Private Enterprise] in opposing funds for the country's economic stabilization. To say now that they are concerned about the teachers...please! This is a shameless, groundless and easily refuted assertion.

They were the ones who created this country's poverty and squalor over 100 or so years. Only the FSLN, in the underground and then in government, has been concerned about this situation and consistent in tackling it.

Nevertheless, the pitcher that goes to the well too often winds up broken, unless you're constantly fighting, clarifying, informing. LA PRENSA's lies could wind up confusing and influencing a certain segment of the population.

Another element that weakens it is its fanaticism. They do not accept or recognize anything that comes from Sandinism or from the revolution. Trying to erase things, accomplishments that are very clear, is an insult to the country's political intelligence.

We cannot underestimate the damage that they could cause. Running sewage that falls into a drain for 5 years wears it away little by little no matter how well built it is, and this is what LA PRENSA would like to do. Consistently telling the truth is our antidote to the poison that they ooze every day.

[BARRICADA] What is Sandinism's message on this anniversary?

[Carrion] Our main message seeks to show who and what is the cause of the current situation, to determine the human, personal bottom line on these 10 years of revolution, not the bottom line on economic adjustments, but what it means to each citizen to have been a part of this revolutionary decade.

We are going to achieve peace and resume the road of change and development that has been interrupted by the war. Obviously we have to fight and win overwhelmingly in the political arena: in the arena of elections.

Panama

Duque, Escobar Comment Prior to Opening Round

PA1707143489 Panama City Domestic Service in Spanish 1130 GMT 17 Jul 89

[Text] A dialogue without preconditions was the general consensus yesterday at the opening of the first round of talks between the government, opposition, and parties that compose the National Liberation Coalition [COLINA].

The first meeting between representatives of different segments of Panamanian society began at 1530 on the ninth floor of the Vallarino Building. COLINA, which comprises nine political parties, was represented by former presidential candidates Carlos Duque Jaen, Ramon Sieiro, and Aquilino Boyd. The Civic Democratic Opposition Alliance was represented by Guillermo Endara, Ricardo Arias, and Guillermo Ford. The Executive Branch was represented by Romulo Escobar Bethancourt.

Prior to the meeting, Carlos Duque spoke briefly with a large group of reporters who were at the entrance to the Vallarino Building.

[Begin Duque recording] We were summoned to this dialogue by the OAS so that the search for a national agreement can begin. [end recording]

Meanwhile, Romulo Escobar Bethancourt said the following:

[Begin recording] [Reporter] Is there a possibility of General Noriega stepping down?

[Escobar] We have not considered that yet.

[Reporter] What is the Executive Branch's opinion regarding this issue?

[Escobar] That is what we will discuss at the meeting.

[Reporter] Who are you representing at the meeting?

[Escobar] I am representing the president. [end recording]

Second Dialogue Session Begins

PA1707153689 Panama City ACAN in Spanish 1442 GMT 17 Jul 89

[Text] Panama City, 17 Jul (ACAN-EFE)—Representatives of the Panamanian Government at the dialogue being sponsored by the OAS said today that they will not avoid discussion of the topic proposed by the opposition regarding the withdrawal of General Manuel Antonio Noriega from his post as head of the military.

Carlos Duque, president of the largest progovernment party, the Democratic Revolutionary Party, said today as he arrived for the second session of the dialogue: "No topic will be excluded. We are not going to avoid the topic of Noriega. We are happy to have it brought up."

"We are also going to ask for an end to the U.S. military and economic aggression and for the withdrawal of U.S. Generals Fred Woerner and Marc Cisneros from Panamanian territory," Duque added.

Woerner, commander of the Pentagon's Southern Command, which has more than 12,000 troops stationed in Panama, said last week that Washington has not ruled out a direct intervention in Panama if the OAS effort fails. Meanwhile, Cisneros said he is personally in favor of military action to "get Noriega out."

Duque, other progovernment leaders, and the opposition leaders agreed that during the dialogue, all points proposed by the parties will be discussed "frankly."

Romulo Escobar Bethancourt, representative of the Panamanian Government at the dialogue, said as he arrived for today's talks that in this session an attempt will be made to decide on "the agenda and procedures" for the negotiations.

Three military officers (led by Colonel Julio Ow Young), a representative of the Executive Branch (Escobar), the three main opposition leaders (Guillermo Endara, Ricardo Arias Calderon, and Guillermo Ford), and three leaders of the progovernment parties (Duque, Ramon Sieiro, and Aquilino Boyd) are participating in the meetings, which began yesterday. The dialogue is being coordinated by an OAS delegation comprising OAS Secretary General Joao Baena Soares and the foreign ministers of Ecuador, Guatemala, and Trinidad and Tobago, Diego Cordovez, Mario Palencia, and Sahadeo Basdeo, respectively.

Before entering today's meeting, Escobar told the press that there is a possibility that the dialogue will continue past 19 July, when the OAS delegation must present a report on its work to the OAS foreign ministers in Washington.

"We feel the OAS has already fulfilled its mission. The next phase is up to the Panamanians," Escobar said, adding that the government will not ask for an extension of the foreign ministers' mandate.

Duque, Endara, Cordovez, and other participants at the meetings have said they are very optimistic over the dialogue.

Endara arrived at the meeting, being held in a building in Panama City's banking sector, with several copies of a book that gives the opposition's version of the 7 May elections. Endara claims victory in that election.

Before the talks began on Sunday, however, Duque said the dialogue must be based on the fact that those elections "were annulled." The progovernment leader, who like Endara was a candidate in the 7 May elections, also said the side he represents will bring to the negotiating table a proposal for a "government of national reconstruction."

According to the proposal, which is being studied today by the highest-ranking Panamanian authorities during a meeting at the Presidential Palace and which was already rejected by Endara, the "government of national reconstruction" would comprise representatives of the progovernment coalition, the opposition, and a third minority party that supports the regime.

Opposition Wants Noriega Out

PA1707230189 Panama City ACAN in Spanish 2137 GMT 17 Jul 89

[By Andreu Claret]

[Text] Panama City, 17 Jul (ACAN-EFE)—The Panamanian opposition has insisted on General Manuel Antonio Noriega's withdrawal as commander of the Panama Defense Forces [FDP] during its first two meetings yesterday and today with military men and progovernment parties under the sponsorship of the OAS.

Romulo Escobar Bethancourt, the government representative at these meetings, admitted that "the opposition brought up many issues, including Noriega," in the first two meetings.

Sources close to the meeting disclosed that the opposition's insistence on bringing up the Noriega issue led to harsh and repeated confrontations with the leaders of the parties that support the regime and that rejected a debate on Noriega's future.

"Noriega is not negotiable," Carlos Duque, former presidential candidate of the progovernment bloc in the past elections, who is also a businessman and a trusted friend of the general, said when he left one of the meetings.

Duque added: "We are going to show the OAS and the world that the issue of Noriega is one of personal persecution." Nevertheless, he said that the government representatives in the dialogue "will not avoid" that point of discussion.

Bethancourt, an attorney trusted by the Panamanian military who has played a prominent role in various negotiations with the United States, told ACAN-EFE that "we (supporters of the regime) have proposed that the problem of the U.S. aggression against Panama must also be discussed."

According to one of the opposition leaders participating in the OAS-sponsored dialogue, the adversaries of the regime have insisted from the very beginning on the withdrawal of Gen Noriega, military commander and the country's "strongman," who they view as responsible for the crisis the country has been experiencing for the past 2 years.

Aware that his future is once again at the center of the debate in the country, Noriega did not comment today on the negotiations and instead, in one of his usual symbolic gestures, waved a red cane from his car window.

When reporters asked Noriega about the dialogue, after a General State Council session—where he met with the regime's top civilian and military leaders to discuss recent developments—smiling and enigmatic, he replied: "Forget that matter." [play on OAS acronym in Spanish: Olvidense de Ese Asunto]

The U.S. Embassy in Panama, which is most attentively following the negotiations, yesterday recalled through a spokesman that "the United States will not normalize relations with Panama as long as Noriega remains in power."

So far, neither the military nor the parties that support the regime have given any public indication that Noriega's future could be an issue for agreement in the dialogue sponsored by the OAS.

"To give Noriega's head now would be tantamount to yielding everything," a minister of the current administration told ACAN-EFE. According to this minister, "a hurried withdrawal" of Noriega "could endanger the achievements of Torrijism" (the nationalistic political period, begun by General Omar Torrijos, the previous "strongman," in 1968).

However, proregime sectors are increasingly establishing, in private, the difference between a "hurried" Noriega withdrawal and a negotiation that contemplates a possible withdrawal of the general, but as the result of a process.

In its efforts to reach its goal—Noriega's withdrawal—the opposition is no longer raising the issue as a "previous condition" to dialogue or negotiation, and it is insisting that this withdrawal be made "in a dignified way."

Christian Democratic Party leader Ricardo Arias, considered one of the most radical opposition leaders, demanded that "the military officers return to their garrisons" a few months ago. However, he is now varying his tone and insists that "we cannot do the same as in Argentina" (where the military chiefs were tried by the civilian regime).

Notwithstanding, none of the opposition leaders are optimistic about the possibility that Noriega would agree to withdraw within the framework of the current negotiations, despite an increase in international pressure and the threat of U.S. military intervention if he remains in power after 1 September.

Meanwhile, Noriega has begun a thorough reorganization of the military clique designed, according to some observers, to reinforce his power and security in the FDP, in the wake of moments that will undoubtedly be difficult for him.

Endara Says Dialogue 'Frank'

PA1707202489 Panama City Telecinco Television in Spanish 1924 GMT 17 Jul 89

[News conference held by Guillermo Endara, former presidential candidate of the Civic Democratic Opposition Alliance, following the second session of a national dialogue sponsored by the OAS foreign ministers' commission in Panama City—live]

[Text] [Endara] We have to report that the talks continue to be frank. We are experiencing difficulties in the dialogue that we are trying to overcome. There have been disagreements, but the talks have been conducted with the same frankness as in yesterday's meeting.

[Reporter] What kind of disagreements have occurred?

[Endara] I would rather leave the details of the talks for a later, final report. I prefer to look for solutions to these difficulties rather than aggravating them by discussing them in public. The situation calls for discretion, although we do not intend to keep information from you. We must admit the situation is difficult.

[Reporter] What is the Panama Defense Forces' position?

[Endara] They did not participate in the talks.

[Reporter] What do you think about the government's demands for lifting the U.S. sanctions on Panama and removing U.S. Brigadier General Marc Cisneros?

[Endara] They proposed that.

[Reporter] What do you think of their proposal?

[Endara] We responded to it during the talks. As I have said, however, we will not discuss the specific points in public because the situation was difficult. Nevertheless, we must stay optimistic and positive to the end. I do not think it would be beneficial for me to report on what each of the participants said or how I or [opposition leaders] Arias Calderon or Ford replied.

[Reporter] [Question indistinct]

[Endara] We would like that to be very quick because the Panamanian people cannot wait any longer. I am afraid we cannot report on that at present.

[Reporter] [Question indistinct]

[Endara] We will meet again at 1500.

State Council Issues Communique

PA1707224089 Panama City Domestic Service in Spanish 2112 GMT 17 Jul 89

[Communique issued by the Press Secretariat of the Presidency at the conclusion of the General State Council meeting in Panama City on 17 July]

[Text] The General State Council has declared itself to be in permanent session and has appointed a Study and Follow-up Commission for the dialogue. This decision was adopted after hearing the proposals from the participants.

Constitutionally, the General State Council is a consultative body for the president of the republic, who called a session this morning to analyze the current delicate situation in the country as a result of the U.S. Government's arrogant aggression.

The Study and Follow-up Commission appointed by the General State Council will closely monitor all the events taking place in the national territory to take appropriate actions and to avoid harm to the community.

In addition, the General State Council decided as a top priority to study the proposal made by nine political parties issued on 12 July, recognizing the positive national benefits of this proposal. This proposal will be studied along with opinions from other sectors, such as the Legislative Assembly, the people's power [corregimiento representatives] and grass-roots organizations.

The members of the Study and Follow-up Commission are Honorable Representative Fermin Herrera for the people's power; Honorable Legislator Luis Gomez for the Legislative Assembly; Nander Pitty for the Central Government; Francisco Sanchez Cardenas for decentralized agencies; and Colonel Guillermo Wong for the Panama Defense Forces.

Official Holds News Conference

PA1807005789 Panama City Telemetro Television in Spanish 2355 GMT 17 Jul 89

[News conference by Romulo Escobar Bethancourt, Panamanian Government Executive Branch representative to the OAS-sponsored dialogue with the opposition, with unidentified reporters in Panama City on 17 July—recorded]

[Text] [Escobar] We are going to begin discussing the draft agenda.

[Reporter] Does the Executive Branch maintain the position that General Manuel Antonio Noriega is not negotiable?

[Escobar] We have not discussed any specific topic at the General State Council. We only discussed a proposal formulated by the COLINA [National Liberation Coalition] and the Arnulfist Authentic Panamenist Party [PPAA].

[Reporter] Can you give us more details of that proposal?

[Escobar] Well, the proposal was published in the newspapers a few days ago. They proposed the formation of a national reconstruction government and stressed the position that such a government would take concerning the economic aggression the country is experiencing, the lifting of the freeze on the funds [held by the United States], the fulfillment of the Torrijos-Carter Treaties, and cooperation between the government and private enterprise in a coordinated plan to increase employment and investments.

[Reporter] Is the climate right for a national reconstruction government when the opposition parties charge that Mr Nicosia [PPAA leader] and the COLINA parties do not have mass support?

[Escobar] Well, that is a problem that has not been discussed here in the dialogue. That was discussed at the General State Council.

[Reporter] What was the General State Council's response to this proposal?

[Escobar] The council decided to have a commission consider the proposal as well as proposals from organizations such as the Legislative Assembly, the Assembly of Corregimiento Representatives, and the People's Unity Front.

[Reporter] [Words indistinct]

[Escobar] We are discussing very general topics. We are trying to draw up an agenda and a system of procedures for the statements by the participants. I would say that we have not yet begun discussing specific proposals.

[Reporter] Does that mean [words indistinct]?

[Escobar] Exactly.

[Reporter] Why?

[Escobar] Because we have not yet reached agreement on that. [passage indistinct]

Noriega 'Not Negotiable'

PA1807003789 Panama City Circuito RPC Television in Spanish 2332 GMT 17 Jul 89

[News Conference by former presidential candidate Carlos Duque Jaen of the National Liberation Coalition (COLINA) with unidentified reporters in Panama City on 17 July—recorded]

[Text] [Duque] We are trying to develop a method. First, the two sides explained what they feel is necessary to reach an agreement. We are beginning a recess right now and will resume the talks at 1500.

[Reporter] What was COLINA's proposal before the OAS and the opposition?

[Duque] I repeat, ADOC [Civic Democratic Opposition Alliance] presented the topics it wants discussed. COLINA presented the topics we feel must be discussed to reach a national agreement.

[Reporter] What topics were they?

[Duque] Respect and strict compliance with the Torrijos-Carter Treaties, respect for the principle of nonintervention, the withdrawal of additional U.S. troops from Panama, and the suspension of the economic aggression against Panama.

[Reporter] Was Gen Noriega discussed in the meeting? Is the general negotiable at this time?

[Duque] Gen Noriega is not negotiable. His case was discussed and we did not, I repeat, did not evade the Noriega issue on the agenda. We are going to show them [the opposition members] and the world that the Noriega issue is persecution against... [changes thought] If I may say so, it is the persecution of one person.

[Reporter] Do you think a solution can be reached today?

[Duque] It is difficult to predict. However, we are working toward that goal. It is very difficult to reach agreements in 1 day when we have to discuss so many topics and these topics are the source of so much conflict between the two sides.

Events at Meeting Noted

PA1807025489 Panama City Circuito RPC Radio in Spanish 0127 GMT 18 Jul 89

["News conference" by Romulo Escobar Bethancourt, Executive Branch representative to the Panamanian tripartite dialogue promoted by the OAS, and former National Liberation Coalition (COLINA) presidential candidate Carlos Duque, accompanied by former COLINA vice presidential candidates Ramon Sieiro and Aquilino Boyd and Panama Defense Forces (FDP) members Colonel Julio Ow Young and Majors Luis Cordoba and Armando Palacios Gondola; in Panama City on 17 July—recorded]

[Text] [Escobar] Distinguished journalists, before Mr Carlos Duque talks with you and informs you about the specific topics we have been discussing and will continue to discuss here, I must inform you that during today's meetings, we presented a detailed report on the attitude adopted by the General State Council before the proposal presented by the COLINA parties and the Authentic Arnulfist Panamenist Party [PPAA]. That proposal includes the creation of a government of national reconstruction, the priority task of which would be to face the economic and military aggression our country is experiencing and to demand the release of Panamanian funds being withheld in the United States, the payment of the Panama Canal annuity, and the payment of the Panama Canal Commission Panamanian employees' income tax and social security, which has been withheld up to now.

We told the dialogue commission, which includes the COLINA and ADOC representatives, who are in fact the former presidential candidates in the elections annulled by the Panamanian Electoral Tribunal, that the General State Council decided to study the proposal presented by the aforementioned parties [the PPAA and the COLINA member parties] to the government. That proposal will be permanently discussed by a commission created by the Panamanian President. The commission will study that proposal and other proposals presented by the Legislative Assembly, the Assembly of Corregimiento Representatives, and by the Peoples Unity Front, among others. That is one of the issues we presented to the delegates of the dialogue commission.

We also discussed other issues at today's meeting. You must remember that I represent the Executive Branch in the dialogue, and that the Executive Branch includes the FDP. As the representative of the Executive Branch, I discussed the importance the General State Council places on ending foreign intervention in Panama and ending the economic and military aggression Panama is experiencing as the way to solve the Panamanian problem.

I pointed this out to the commission so that the delegates from the two sides could become fully aware of the firm and definite position of the government and the FDP on the priority status of these problems.

Based on this and on the proposals made by the two sides, the participants prepared an agenda. This agenda was presented to the OAS representatives. These representatives have been present at all meetings. Early tomorrow they will leave for Washington to participate in the 19 July OAS meeting there.

Carlos Duque will now give you more details on this issue.

[Reporter] Was the agenda prepared jointly?

[Duque] The agenda was prepared jointly. The agenda consists of the issues presented by ADOC and COLINA.

[Reporter] What issues, please?

[Duque] The priority issues are the end of U.S. aggression against Panama, the return of withheld funds, the release of frozen funds, the withdrawal of additional U.S. troops in Panama in violation of the Torrijos-Carter Treaties, and the commitment to strictly comply with the spirit and letter of the Torrijos-Carter Treaties.

[Reporter] What about the transfer of power issue?

[Duque] ADOC has introduced into the dialogue the issue of a transfer of power and has called for an analysis of the 7 May elections and for the departure of General Manuel Antonio Noriega. It also introduced a broad ranging subject, foreign affairs. As I have told you, we have not excluded from the agenda any of the issues that have been introduced. We will discuss and very carefully analyze all the issues they have presented.

[Reporter] When will you continue to discuss the agenda?

[Duque] If it was possible we would have continued discussing it today. The foreign ministers leave [for the Washington OAS meeting] tomorrow, but OAS Deputy Secretary General Hugo Camino will remain in Panama to preside over the dialogue.

There will be no dialogue tomorrow. The men of the ADOC have asked to be excused because their board of directors has to meet and the vice president, [corrects himself] the vice presidential candidate [of ADOC] will be going to Washington.

[Reporter] The organization will present a report [words indistinct].

[Duque] The commission has a mandate and it, obviously, has to present a report.

[Reporter] Has progress been made?

[Duque] The commission members will be taking the agenda with them. I could say that in line with the agreement of not excluding any issue, an agreement reached in establishing the tripartite dialogue, the sides have introduced the issues they want to be considered during the dialogue and negotiations process.

COLINA and the Executive Branch, including the FDP, have presented the following issues: an end to U.S. military aggression and threats against Panama; the immediate withdrawal of additional U.S. forces in Panama; an end to U.S. economic aggression against Panama; the release and return of Panamanian funds being withheld by the United States; strict U.S. compliance with the spirit and letter of the Torrijos-Carter Treaties—as you know the United States has violated these treaties on several occasions—and no meddling by the United States in Panamanian political affairs.

ADOC presented for discussion the issues of defining what each party understands concerning a transfer of power; the 7 May elections; the departure of General Manuel Antonio Noriega from the post of FDP commander; compliance with constitutional norms; violations of human rights and constitutional guarantees; and foreign factors [factores externos].

It has been agreed that the subjects of the agenda are to be discussed in the order that best suits a national agreement.

Conclusion of the agenda is not mandatory. This is an agenda for a dialogue. The agenda includes issues that have been presented for consideration and the agenda has been approved and we have already discussed many of the issues listed here.

OAS Says Negotiations Needed

PA1807023489 Panama City ACAN in Spanish 0120 GMT 18 Jul 89

[Text] Panama City, 17 Jul (ACAN-EFE)—Ecuadoran Foreign Minister Diego Cordovez, president of the OAS mission that is promoting a dialogue between the government and the opposition in Panama, stated today that negotiations "are the best way to silence gorillas that propose solutions of force or military intervention."

When asked by ACAN-EFE if he was referring to the armed forces in the United States or in Panama, Cordovez answered pointedly: "From here and from foreign countries."

The Ecuadorean foreign minister made these statements after the second day of meetings between the Panamanian Government, the armed forces, and the opposition ended. The only result of the meeting was the approval of an agenda for dialogue and no advances were made in the points agreed upon for the agenda.

The delegates of the OAS mission promoting the dialogue in Panama will leave the country tomorrow to attend a Latin American foreign ministers' consultation meeting on the Panamanian crisis.

The dialogue is to continue in Panama, but no date has been given for the beginning. Argentine Hugo Camino, the OAS legal affairs executive secretary is to stay in Panama to continue attending these negotiations.

Joint Communique Issued

PA1807023789 Panama City Telemetro Television in Spanish 0152 GMT 18 Jul 89

[Joint Communique issued by the participants in the OAS-sponsored tripartite dialogue in Panama City on 17 July]

[Text] In accordance with the agreement on the establishment of the tripartite dialogue not to exclude any topic, the parties have submitted the topics they wish to be considered during the process of dialogue and negotiation.

COLINA [National Liberation Coalition] and the Executive Branch, including the Panama Defense Forces, have submitted the following topics:

—A halt to the U.S. aggression and military threat against Panama;
—The withdrawal of the additional U.S. forces in Panama;
—A halt to the economic aggression and a return of the Panamanian funds withheld by the United States;
—Strict compliance with the spirit and letter of the Torrijos-Carter Treaties by the United States;
—Noninterference by the United States in Panama's political affairs.

On its part, the ADOC [Civic Democratic Opposition Alliance] submitted the following topics:

—A definition of what each side understands by transfer of power;
—The 7 May elections;
—General Manuel Antonio Noriega's withdrawal as commander in chief of the Defense Forces;
—Fulfillment of constitutional provisions;
—Violations of human rights and constitutional guarantees;
—External factors.

It has been agreed that the topics on the agenda will be addressed in the order that is most advisable for the formulation of a national agreement.

Solis Sends Presidency Minister to Chile

PA1807015489 Panama City Circuito RPC Television in Spanish 0002 GMT 18 Jul 89

[Text] Minister of the Presidency Nander Pitty Velasquez is currently in Santiago, Chile, on instructions from Manuel Solis Palma, minister in charge of the Presidency. He will meet with representatives of General Augusto Pinochet Ugarte's government, as well as with politicians and businessmen.

Colonel Purcell Appointed to FDP Post

PA1707141989 Panama City LA ESTRELLA DE PANAMA in Spanish 17 Jul 89 p 32

[From "The Griper" column]

[Text] Colonel Alberto Purcell was recently appointed deputy chief of the Panama Defense Forces General Staff. He was formerly Air Force deputy chief of staff.

Argentina

UK Reportedly To Seek Out Reconciliation

Envoy Cited on Possible Negotiation

PY1707142089 Buenos Aires DYN in Spanish 2028 GMT 16 Jul 89

[Quotation marks as received]

[Excerpts] Buenos Aires, 16 Jul (DYN)—Reports circulating in Buenos Aires indicate that John Sharkey, the new UK ambassador to Uruguay, has said that "the UK will seek a reconciliation with Argentina" and will make an announcement along these lines "within the next few days."

Sharkey, whose statement was published by the Montevideo newspaper EL DIA, said that (Argentine President Carlos) "Menem's opinion regarding the issue with Great Britain is very important."

The UK ambassador said: "We must take advantage of this situation. I believe it is better to leave the past behind and to seek a reconciliation with Argentina."

He added that any negotiation must take into account "the rights and responsibilities of the two countries."

President Menem has recently stated that Argentina "would be willing to declare a cessation of hostilities with Great Britain "if Great Britain lifts the exclusion zone around the Malvinas Islands."

Regarding this proposal, which Menem later explained was not a formal proposal for holding negotiations, Sharkey said that Great Britain has already complied with the requirement of declaring a cessation of hostilities and, consequently, London "is now awaiting a reciprocal gesture" from Argentina. [passage omitted]

Moreover, Sharkey denied that he had been instructed to "shorten distances" with the Argentine Government, saying: "I am only accredited to the Uruguayan Government."

Cavallo Sees 'Goodwill'

PY1707182289 Buenos Aires TELAM in Spanish 1716 GMT 17 Jul 89

[Text] Buenos Aires, 7 Jul (TELAM)—Foreign Minister Domingo Cavallo today stated that President Carlos Menem's remarks and "some reports on remarks by British Foreign Office officials show that there is goodwill to move toward finding a solution that would signify the preservation of our sovereign rights over the Malvinas Islands."

In reply to a question on the Malvinas issue, Cavallo said: "If there is reciprocity, we will be willing to move toward the reestablishment of diplomatic relations."

Cavallo today attended Paraguayan Ambassador Carlos Ocampo Arbo's presentation of credentials to President Menem at the White Hall in Government House. Cavallo added that he would prefer not to make any further comment on the Malvinas issue because this is a delicate diplomatic subject." [quotation mark as received]

Asked about a British newspaper report on a possible visit to Argentina by British Prime Minister Margaret Thatcher, Cavallo said: "I read it in a newspaper, but I also read a denial; thus, I cannot give any information in this regard."

Regarding a meeting between President Menem and U.S. President George Bush, Cavallo said that this meeting should be held as soon as possible and noted that "a decision has been made in this regard."

Cavallo noted that "we still do not know the month—let alone the date—for the meeting because there are questions regarding the agenda." He made it clear, however, that "there is a desire to hold the meeting."

Sanguinetti Speaks to Menem

PY1807002889 Buenos Aires TELAM in Spanish 0008 GMT 18 Jul 89

[Text] Buenos Aires, 17 Jul (TELAM)—Uruguayan President Julio Maria Sanguinetti has observed that Margaret Thatcher, Great Britain's prime minister, has adopted a "different position" regarding the Malvinas Islands topic, and he has informed President Carlos Menem of this fact.

A high-ranking government source has revealed that Sanguinetti spoke by telephone this morning with Menem, who was informed about the talks that Sanguinetti had with Thatcher. He rejected a report that Thatcher had sent a message to the Argentine president through the Uruguayan chief of state.

The source indicated that Sanguinetti called Menem. The dialogue, which lasted for 7 minutes, was "of an informative nature," and that the talks that Sanguinetti held in Paris with Margaret Thatcher were referred to. The fact that Sanguinetti had "noted a different position" regarding the Malvinas was also commented upon.

The source indicated that Menem told his Uruguayan colleague that "he was following the evolution of the topic," and that he had "reiterated his opinion, which he made public during the past few days."

During the telephone conversation between Menem and Sanguinetti, the topic of the International Conference of Fishing in the South Atlantic, that is being promoted by Great Britain, was also brought up according to the government source.

Menem, the source added, reminded his colleague about "the Argentine position of advancing the reestablishment of relations by placing the question of sovereignty under an umbrella or sunshade."

The points that must be taken into account within this process, which have already been mentioned by President Menem, are, first: That Great Britain and the FRG re-establish relations 5 years after World War II had concluded, while Argentina and the United Kingdom have already been 7 years without relations," he stated.

"Secondly, there is the topic of fishing in the South Atlantic, and thirdly, it must be taken into account that previous talks, in which the topic of sovereignty was submitted, have failed," he indicated.

The source emphasized that "Argentina will not give up sovereignty" over the archipelago, but he stressed that if "both countries, Argentina and Great Britain, do not touch upon this topic, then they could always talk about other topics that interest them, for example: Trade."

La Tablada 'Exclusive' Pre-Trial Interview

PY1807012289 Buenos Aires BUENOS AIRES HERALD in English 17 Jul 89 p 4, 5

["Exclusive" interview with unidentified Movement for the Fatherland, MTP, defendants of the "Tablada 20" trial following the attack of the La Tablada Regiment in January 1989, by Joe Schneider; date and place not given]

[Text] [Question] Your trial begins in a few days. To make it clear, what is the Movement for the Fatherland (MTP)? Where do you come from? What factors gave rise to your appearance at this moment within the history of the Argentine left?

[Answer] The MTP is the convergence of men and women who took part in various political and social struggles of our people, plus younger generations who seek an earnest commitment with the profound changes our country needs.

After the democratic rebirth of 1983, in our daily work with the people we gradually came to be convinced that every day there were more Argentines who understood that neither working with the mass political parties (which reflected less and less the aspirations of the majority) nor with the traditional left would it be possible to create the Argentina we all dreamed of.

And so we dedicated ourselves to forging a new movement which, drawing the best people and experiences from the parties we came from, together with courageous new men and women, could build the country in which every Argentine could live in dignity.

[Question] What do you want?

[Answer] All our effort is aimed at making justice and well being a reality for our people. For years, economic and military power factors have frustrated popular aspirations. In general, once in office politicians forget their promises and give in to those power blocs.

We are working to create a movement that does not go back on its word, that puts the interests of the people first to build a country for the nine million Argentines now economically, socially and culturally ignored, for the thousands of young people without work or a future, for workers and professionals and for the honest businessmen who are at the constant mercy of the pillage of 30 economic groups and their military gendarmes linked to the international economic establishment.

[Question] You say you feared an imminent coup. Why did you take this action upon yourselves instead of resorting to the constitutional authorities?

[Answer] We did not rule out public denunciations. On the contrary, we had warned beforehand about the Monte Caseros and Villa Martelli uprisings in our magazine Entro Todos and other political publications (flyers, paid ads, press releases, ect). We had also exposed the secret documents of the last Conference of American Armies in November 1987 which unveiled the real role of the Armed Forces in Latin America.

But this time, given the nature of the military uprising, we didn't think making denunciations was enough.

There were three military rebellions before La Tablada. (Former Army Chief-of-Staff retired General Jose Caridi himself admitted in a recent interview that the aim of the Villa Martelli rebels was to confront the constitutional government. This time they didn't plan to just "hole themselves up in the barracks," but act like the paramilitary bands which proliferated after the 1976 coup.

At the same time, we understood that the continued policy of making concessions carried out up to that moment by the Radical administration and the Peronist opposition was fanning coupmongering.

Therefore we decided to cut short the murderous plan at its initial stage and try a different response, not one of yielding, but, together with the people, of confronting the threat to end it once and for all.

[Question] If you had been denouncing a coup all along, why did you choose to attack at that particular moment, and why La Tablada?

[Answer] Because the first phase of a new rebellion was taking place at that time and place.

[Question] Were any of you tricked or forced into participating?

[Answer] Not at all. Each one of us fully believed in the ideas we are talking about, conscious that we were doing what many Argentines would do if they had the chance and, as in all popular struggles in Argentina's history, we would be putting our lives on the line.

[Question] It is widely believed that you were "set up." Do you think there were any national or international infiltrators among you?

[Answer] No. All that talk is just meant to underestimate our position and cover-up everything that happened by simplifying it as an intelligence or counterintelligence ploy.

[Question] The attack itself obviously required preparation. What truth is there to an "operational plan" found in Roberto Sanchez' knapsack?

[Answer] Our action had to be carried out in a hurry due to the rapidly developing events. But it was not improvised. Of course we had to elaborate a plan: enter the regiment, make the denunciation after catching the coup-mongers red-handed , and wait for popular mobilization which, based on the experience of our political activity among the people, we are certain would have materialized.

But the "knapsack plan" is an invention. It is public knowledge that the "plan" was handed over to the court by (Father Luis Moises) Jardin, a carapintada partisan, several days after the episode - the same as other alleged "evidence."

[Question] And Enrique Gorriaran Merlo, what part did he play?

[Answer] The history of peoples who struggle for a dignified living is plagued with efforts to dirty and discredit the men and women who stand out in those struggles, constantly trying to introduce an element of doubt about the justice of the cause and thus weaken popular movements.

Gorriaran Merlo's history if the life of a popular militant who for 30 years has been on the side of the struggle for a better country. A presidential decree in 1983 tried to end his participation in that struggle and place it on the same level as those responsible for the military dictatorship's state terrorism.

For us, Gorriaran Merlo is the symbol of an entire generation who selflessly chose to risk their lives rather than betray their ideals in the face of oppression. Today, with the same faith in our people, appreciating what was done right and criticizing the mistakes, with the same convinction in the final victory of a just cause, he continues contributing to our emancipation as a nation.

[Question] So, was it the end or the beginning of your cause stopping a "coup" at La Tablada?

[Answer] We truly thought that it would be the beginning of a different political reality, where after thoroughly defeating the rebels and relying on popular support, we would begin to seriously try the military officers who murdered as they pleased to pave the way for the economic groups which today condemn us to starvation. It would be the end to impunity.

[Question] But who benefited from La Tablada? In the final analysis, don't you think you contributed to strengthening the Army, the intelligence services? To putting the elections in jeopardy? To provoking widespread alarm and freezing the First Army Corps and Navy Mechanics Shool (ESMA) human rights trials?

[Answer] The military had already been lobbying for a long time, and the politicians making concessions. Even before the 1987 Holy Week uprising, the government had yielded to military pressure and limited the possibility of bringing all of them to trial through the instructions it sent to the federal courts and the so-called Full Stop Law which established a cutoff date for presenting charges for human rights violations.

Then came the military rebellions followed by new concessions, like the so called Due Obedience Law leaving society defenseless in its permanent demonstration against those injustices.

[Question] Do you feel you have been abandoned by the left?

[Answer] After La Tablada and practically without knowing what took place, many leaders of the Argentine left and supposedly progressive journalists were very quick to condemn the incident, sort of as a way of begging the military's pardon. And in several cases, using the same arguments, they contributed to advancing the military cause.

That response is in contrast with society as a whole which even in the most difficult circumstances never responded with hesitation or misunderstood prudence, but with decision and commitment. We understand that that is the attitude which we must all take, acting from different political ideologies, to contribute to the country we all desire.

[Question] What is your evaluation of the results the left obtained in the recent elections?

[Answer] We believe that most Argentines do not consider the position exposed by the traditional left as a viable alternative. At the same time, the electoral results do not indicate massive support for the policies the new President is announcing, but a demand for the immediate and profound changes promised during the Peronist campaign.

The events of May, barely two weeks after the elections, show that the people have not relegated the solution to the crisis to this or that party or individual, but rather is in their own hands.

[Question] What do you have to say about accusations that the MTP instigated the supermarket lootings? Of military intelligence reports that MTP activists in Jujuy and Tucuman are preparing new disturbances?

[Answer] More than a month after the food riots, not even the politicians who spoke about "leftists activits," which led to many of them being imprisoned and persecuted, believe those accusations any longer. (Then) Interior Minister (Juan Carlos) Pugliese himself admitted in a recent interview that the left only went about its political activity while some sectors on the right tried to take advantage of the situation.

As far as the MTP goes, they tried to use it as one more excuse to justify the state of siege and the deaths which followed the repression, in the same manner that after La Tablada they invented multiple "attacks on military units" to justify the so-called Omnibus Law and the National Security Council (COSENA).

But no one buys that. Everyone knows that the responsibility for the lootings lies with the insensibility of the politicians who ask for sacrifice from those who are shackled by hunger and yield to the pressure of the economic power bloc which gets ever richer and the military power bloc which gains an ever stronger foothold.

[Answer] Like we said before, what exists is an advance of authoritarian sectors in preventing popular reactions to the economic crisis. A "witchhunt" refers to the persecution of people or sectors because of their ideas or activities. This has never been totally absent in Argentina. What is really more serious today is not the persecution of one or another individual, but the effort by the right to avoid popular protest at any cost.

Today we are facing a situation that we could call "veiled state of siege," becuase everything indicates that the Armed Forces is again being given the task of internal intelligence gathering just as it did during the dictatorship.

That task is based on the hypothesis of the enemy within, which is explicity prohibited in the recently approved Defence Law, and on the Radical administration's Omnibus Law - designed by the military following guidelines of the Conference of American Armies - which makes the people the first suspect.

[Question] What contact do you have with other political parties or ideological groups here or abroad?

[Answer] The MTP maintains contacts with all Argentine political parties and popular organizations without exception, and with liberation movements, political parties and progressive groups throughout Latin America and Europe.

[Question] What about the far-right or Army rebels?

[Answer] The far-right and the so-called Argentine Army are enemies of the Argentine people. They are our enemies.

[Question] Did any of those groups provide you with logistic support?

[Answer] No, either from revolutionary organizations nor from other countries. What did exist was the intention by the right to link the events of La Tablada with other nations for the purpose of discrediting those countries and peoples struggling for their liberation.

[Question] What type of trial do you expect to recieve? Have you been subject to torture or mistreatment? Were any of your group killed in La Tablada after surrendering?

[Answer] Our trial will seriously question the campaign for pacification between the Armed Forces and society. It will bring back into debate something they have been trying to hide or distort: We went to stop a military uprising and we were repressed with the same military methods used during the last dictatorship (annihilation, execution of prisoners, disappearances, tortures, etc).

Because of all that, we are convinced they will try to cover up everything. For the right, our action is an example that must be erased whatever the price.

At the same time we will face a court which drew up its indictment as an appendix to the military power bloc. All the proceedings have been wrought with serious irregularities, as we have made public. By way of example, all military testimony was taken at the regiment several days later because they refused to go to the court. And the weapons we allegedly used have always been in the hands of the military; the judges conducting the preliminary investigations never even saw them.

On top of that, our denunciation that a coup was in process in La Tablada has not even been investigated, a coup which we already said was "a well known secret." And while we are to be tried according to the Law in Defence of Democracy, accused of rebellion, those responsible for the three previous military uprising have only received disciplinary sanctions, saying that those incidents were simply "mutinies" within the Army.

Regarding tortures and executions after surrendering, these were denounced before the court, but we understand that those investigations are not progressing. Like we said before, the idea is to hide the truth from society, because it questions the impunity reigning among the military.

[Question] But did any of you see members of your group surrender on January 23 and later turn up among the dead? Have you identified any of the photographs taken on January 23 and published in Gente or Somos as MTP members?

[Answer] The autopsies prove several of our fallen companeros killed on January 23 were finished off with a close-range shot in the head. Human rights groups and our lawyers are investigating that.

As regards the Gente and Somos photos, the denunciations have been made, accompanied by the testimonies of soldiers who swear Ivan Ruiz and Jose Diaz were captured alive.

There's also the cases of Somojedny, Provezano and Calvo who surrendered with us the morning of January 24 and were in the same room with us where we were all tortured. The first remains missing and the other two were later named among the dead, Provezano mutilated and burned to ashes.

[Question] Who do you think are among the unidentified? How many escaped?

[Answer] We don't know.

[Question] Did you expect the Buenos Aires Provincial Police to arrive on the scene to fast? Why do you think it took so long for the Army to get there? What is your opinion of the magnitude of the repression?

[Answer] All throughout those days, society as a whole was on the alert, because this fourth military uprising had been pre-announced by leading political and military figures and even mentioned by the President. So naturally the provincial police were alert to what might occur at the military units within its jurisdiction.

Our evaluation regarding the Army is that, faced with the surprise element of a civilian group preventing a military uprising, the rebels were forced to take a step back when they lost control of the situation. On the other side, the Army High Command had to evaluate the situation before ordering a repression.

We think that in the time prior to the Army's arrival, there was a whole series of evaluations, negotiations and pressures between the two Army factions and the government. The rebels finally decided to retreat and await a better opportunity. The other faction, in turn, decided to try to resolve the internal dispute by joining forces against a "common enemy: subversion."

Of course, trying to reach a negotiation among the military is always foremost, with the support of the government and politicians. But for us, the answer was annihilation - as is evident from the magnitude of the repression - in an effort to cover up any chance of clarifying what happened and parading as the "defenders of democracy."

[Question] Your evaluation of the divisions within the Army...

[Answer] There is a very profound division within the Army due to personal and political rivalries. The entire Army vindicates the genocide carried out by them. Their differences lie in the way to obtain vindication.

This Army operated for years as para-military bands outside the law and divided among themselves at whim positions of power within the stage generating factional and personal power disputes within its ranks and also widespread corruption. Finally the Malvinas War caused a crisis in their very values, revealing their incapacity to wage a real war.

For all this, ever since 1983 each faction has tried to impose its position, ranging from authoritarian "negotiationism" to the most stubborn facism. The dynamics of these military confrontations exercise pressure on civilian rule.

This fourth military uprising intended to solve the question of leadership within the Army and further condition society. This conflict, which has been treated in newspapers as "the military issue," has taken the form of constant pressure for amnesty and statements from the various factions, like (Colonel Mohamed Ali) Seineldin's recent declarations, and is far from solved.

[Question] You have been called terrorist. Do you consider yourselves guerrillas?

[Answer] Terrorism has constantly been used by the Armed Forces as a political tool in defence of economic interest groups and their own interests. The maximum expression of such terrorism was during the last military dictatorship (1976-83) which Argentine Judiciary qualified as "state terrorism." We have not tortured, or disappeared or executed anyone." We are not terrorists.

At the same time, we believe that even though popular forces in other countries have adopted guerrilla warfare as a legitimate form of struggle, it is not a valid option in Argentina today.

[Question] Do you have visits from your family? How do they feel about your action?

[Answer] Our relatives, as well as our friends and those who knew us in our daily activity, are convinced that we are activists at the service of the people and have - like so many others throughout our nation's history - done what we honestly believed correct.

They share our sorrow for fallen companeros and stand by our side in our present circumstances. At the same time, many people from different sectors have sent expressions of solidarity, which gives us the strength to face our situation.

[Question] What happens to MTP now?

[Answer] Today we realize that the analysis of the national situation we have been elaborating and our forewarnings were correct and that the MTP proposal for unity and popular mobilization to achieve happiness for our people is not only valid, but urgent.

[Question] Do you regret, feel sorry for what happened at La Tablada, or given the circumstances would you do it all over again?

[Answer] We acted the way we did because we were convinced it was the necessary response to that situation. In that light, there is no feeling of regret or repentance. We continue to believe in those convictions.

[Question] Do you consider yourselves martyrs for a cause?

[Answer] If you mean do we expect popular recognition, no. We only strive to be militants of the popular cause. But, yes, we consider heroic the gesture of our companeros who offered their lives to put an end to impunity and social injustice in Argentina.

Economy Minister Views New Price Agreement

PY1707231889 Buenos Aires TELAM in Spanish 2204 GMT 17 Jul 89

[Text] Buenos Aires, 17 Jul (TELAM)—Economy Minister Nestor Rapanelli stressed today that the price agreement that was signed today with leading enterprises "is only the first step toward a social pact that is being promoted by President Carlos Menem."

Speaking to approximately 400 businessmen who met in the Hall of Acts of the Bank of the Argentine Nation, the minister stated that "the best way to defend the purchasing power of salaries is by guaranteeing the stability of prices, in other words, by defending the value of our currency."

In accordance with the agreement that has been signed, the leading enterprises will set their prices through the acceptance of a contribution of 20 percent of the cost of production to the economic emergency, and by promising to maintain their prices without changes until there is a variation in the exchange rate and/or the rates of the public services.

Trustees Appointed to State-Run Companies

PY1407143889 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2242 GMT 13 Jul 89

[Text] Buenos Aires, 13 Jul (NA)—The executive branch has appointed trustees to almost all the state companies run by the Ministry of Public Works and Services "in order to stabilize the economic and financial situation of the companies."

This measures applies to Argentina Railways, State Water and Power Enterprise, Argentina Airlines, State Gas Corporation, ELMA [Argentina Shipping Lines], ENCOTEL [National Enterprise for Mail and Telegraph], Government Coal Deposits, General Port Administration, and the National Science and Hydraulic Techniques Institute.

It was officially reported this afternoon that the trusteeship will last 180 days and could be extended for another 180 days.

Alberto Trezza has been named trustee of Argentina Railways, while Fernando Frediani has been named deputy trustee. The Public Works and Services Ministry has been authorized to create an executive committee that will have representatives in the political, labor, and business sectors "in order to outline a policy for the railway sector."

Antonio Troiano has been named trustee of the General Port Administration; Juan Carlos de Robertis in the State Water and Power Enterprise; Arlington Roberto Uriarte in ENCOTEL; Luis Alberto Maciel in the State Gas Corporation; Mahamad Rodolfo Chain in the General Highway Administration; Luis Santos Casale in ELMA; Carlos Alberto Russo in Argentina Airlines; and Adriano Gianoni in the Natinal Science and Hydraulic Techniques Institute.

World Bank Announces Disbursement of New Loans

PY1407232589 Buenos Aires TELAM in Spanish 0200 GMT 14 Jul 89

[Text] Buenos Aires, 13 Jul (TELAM)—The World Bank has expressed its support to Argentina by stating that it will disburse 10 loans for technical assistance, as well as 2 loans that had been witheld since February.

Shahid Husain, World Bank vice president for Latin American and Caribbean affairs sent a telex in which he said: "We are impressed with the government's seriousness and realism."

The 40-line message assures the new economy minister that "the World Bank will grant all possible support during this difficult time for your country."

Husain says that relations between Argentina and the World Bank will continue without interruptions and that the bank "will make disbursements on 19 loans for technical assistance, which are at different levels of implementation and which support projects in the public and private sectors." The bank also promises "to make quick disbursement of two adjustment loans that were designed to support extensive reforms in foreign trade and the financial sector" and which were witheld since February because of the deterioration of the country's economy.

Husain says: "We agree with you when you state there is a need to take measures to improve the efficiency of public companies, reduce their burden on the national budget, and limit the Central Bank financing of their deficits; to substantially increase tax collection and expand the tax base; and to allow Argentine products to compete on the world market and reduce the fiscal spending, particularly industrial subsidies."

Husain also says: "We will continue working on a number of investment projects and proposals (with World Bank financing) already in the Argentine portfolio if your government so wishes."

Montoneros Leaders Give Up Armed Struggle

PY1407232889 Buenos Aires DYN in Spanish 2356 GMT 12 Jul 89

[Text] Buenos Aires, 12 Jul (DYN)—The leadership of the former Montoneros terrorist group has "solemnly" decided to give up the use of arms and clandestine struggle as part of their political activity. They have, therefore, decided to work within the current democratic system.

The decision is contained in a document signed on 17 April 1989 by leaders of the group, including Mario Eduardo Firmenich, who is currently serving a sentence. The text of the document was publicly released today.

The document was left at the foot of the statue of the Virgin of Lujan, in the church of the same name, after a mass 3 weeks before the 14 May elections. The mass was attended by about 30 leaders of Revolutionary Peronism [Peronismo Revolucionario—PR], which is the new organization that replaced the Montoneros. The mass was held by Bishop Emilio Ognenovich of Mercedes, who today confirmed this information. He said that he did not disclose the contents of the document in order to prevent the information "from having an influence on the electoral campaign."

The document is entitled: "Solemn Commitment for National Pacification and Reconciliation Based on Social Justice and Soul Searching."

In addition to Firmenich, who was sentenced to 30 years in prison for subversive activities, the document was also signed by Roberto Perdia, Fernando Vaca Narvaja, and Oscar Bidegain (who are living abroad), and by Pablo Unamuno, Mario Montoto, Gustavo Gemelli, Jose Bisciotti, and others.

The former Montoneros leaders said that their decision "is soley intended to contribute to national pacification, to soul searching by all sectors, to the democratic transition, and to national reconciliation—all of which are necessary for an agreement on a national project."

They also promised "to give a practical example of what real national pacification is."

They also decided "to agree that the only legitimate, legal, and moral principles for exercising the right of armed resistance to oppression are Article 21 of the National Constitution—which allows citizens to arm themselves to defend the Constitution—and the Christian precept that applies in the case of obvious and prolonged tyranny that jeopardizes human rights and the common good of the country."

The document also says that "we reaffirm our decision to give up the use of arms and clandestine struggle and, instead, to use democratic mechanisms to solve interparty or intersectorial political differences."

The document adds that "national pacification is essential to healing the wounds of the nation and reaching reconciliation.

The document goes on to say that "only through national reconciliation will we be able to overcome the current situation. We must reach an agreement that includes all sectors—that satisfies the desires that most Argentines have for social justice, independent development, cultural identity, and democratic stability."

The document concludes by saying that "a large part of Argentine society is afraid of returning to the violent confrontations of the past. We therefore believe that leaving the doors open to politically motivated terror and provocation is senseless."

CLARIN Employees Strike for Higher Wages

PY1407180089 Buenos Aires Domestic Service in Spanish 1600 GMT 14 Jul 89

[Text] The employees of the daily CLARIN have assembled to await a proposal from the management regarding a salary adjustment and the inclusion of contracted employees on the enterprise's payroll.

Some 1,200 employees are awaiting a proposal after the one they submitted was rejected by the management. Due to the disagreement, the daily CLARIN was not published today.

Bolivia

Presence of U.S. Coast Guard Agents Denied

PY1707162589 Madrid EFE in Spanish 2304 GMT 15 Jul 89

[Text] La Paz, 15 Jul (EFE)—Bolivian Interior Minister Eduardo Perez Beltran today denied the presence of U.S. Coast Guard service agents who, according to a report datelined Washington, are carrying out operations against drug trafficking in Bolivian rivers.

A Washington-datelined report states that Alan Boeting, the chief of the U.S. antinarcotics program, has said that U.S. Coast Guard service agents are working with Bolivian authorities and the Drug Enforcement Administration (DEA) to prevent drug trafficking in Bolivian rivers.

According to this report, the U.S. agents are using light weapons, "M-60" machineguns, and 7-meter-long ships.

Beltran said that Beoting "is boasting" about the task of repressing drug trafficking. Beltran said: "There is not a single DEA man in the country."

Beltran continued: "There are only advisors who are working with us on the organization of our special (antinarcotics) force." He added that foreign support in technical or scientific training is a positive factor in any country of the world.

The interior minister made it clear that there are not any patrol boats from foreign countries in Bolivia and that the existing patrol boats "are foreign donations that are Bolivian property."

Beltran concluded by saying that the DEA personnel in Bolivia are only carrying out advisory tasks."

Repurchase of Commercial Foreign Debt Announced

PY1707164189 Madrid EFE in Spanish 2212 GMT 15 Jul 89

[Text] La Paz, 15 Jul (EFE)—Finance Minister Ramiro Cabezas today reported that in July 1989 Bolivia will repurchase $514,500,000 of its debt with international private banks. This amount is equivalent to 75 percent of Bolivia's $686-million commercial debt, he said.

Cabezas pointed out that Bolivia has a good chance of gaining free access to secure donations that will permit the country to repurchase the remaining 25 percent of the commercial debt.

The finance minister also expressed his satisfaction over a decision made in June 1989 by the World Bank directorate, approving a $100-million donation for the International Development Association [Asociacion International de Fomento]. According to the finance minister, the Bolivian Government will try to secure part of this amount to repurchase the remaining 25 percent of the Bolivian debt to private banks.

Police Investigate Zarate Willca Terrorists

PY1507021089 La Paz PRESENCIA in Spanish 10 Jul 89 p 4

[Excerpt] The police are investigating more than 30 people involved in the terrorist attacks committed by the Zarate Willca Armed Forces of Liberation.

According to a report by the homocide department of the attorney general's office, the testimony of those arrested and the "evidence and evaluations made during the investigation of the murder of the two Mormon missionaries on 24 May" show that about 30 people "were directly involved" in the terrorist acts of the Zarate Willca group.

Those arrested are Constantino Yujra, Felix Fernando and Juan Nelson Encinas Laguna, and Gabriel Rojas Bilbao, who on 6 July were placed under the jurisdiction of the court.

The police released the list of people who are reportedly involved in the crimes committed by the terrorist organizations.

They are Victor Eduardo Prieto Encinas, Susana Zapana Hannover, Simon Mamani Calisaya, Johny Justino Peralta Espinoza, Patillas, Sapo, Avelino, Largartito, Mauricio, Gareca, Chileno, Urus, Tina, Ramiro, Jaime Villca, Juan Chavez, Silvia Aliaga, Julio Magpi, Enrique, Zabala, Flaco, Lagarto, Eduardo (Pato), Chapaca, Delgadito, Pulpa, Gabriela, Jefe Ortiz, German, the Humerez family, Calixto, Jorge Oporto, Julio Manuel Cabrera, Ramiro Quisbert, Ofelia, Porfiria, Rosa, and many other members of the Zarate Willca group.

The police report says that the Encinas brothers were arrested when they tried to enter the house of Victor Eduardo Prieto Encinas and Susana Zapana Hannover, on 260 Menenez y Pelayo Street in the Alto Solacachi area.

After the two brothers were arrested, the police raided the house, where pamphlets and subversive material were found. [passage omitted]

Former Officers Reportedly Trained Terrorists

PY1507024689 La Paz PRESENCIA in Spanish 8 Jul 89 p 1

[Text] According to a preliminary report of the Court Police, the militants of the "Zarate Willca Forces of Liberation" (FAL-ZW) received practical and theoretical military training on the handling of weapons, the manufacture of explosives, tactical military maneuvers, the capture of objectives, and other subjects from former Navy Captain Jaime Paredes Sempertegui and his assistant, Rocha, also a former Navy officer.

On 6 July a document presented to the court investigating the case against the FAL-ZW said that the participation of Paredes in the training of the FAL-ZW is proven by "the testimony of FAL-ZW members under arrest and by other documents."

The individuals who are under arrest—Constantino Yujra Loza (alias Pancho), Felix Fernando Encinas Laguna (alias Eugenio), and Juan Nelson Encinas (alias Nestor)—admitted to being members of the terrorist group FAL-ZW but denied any responsibility for the attack and killing of the Mormom missionaries.

Physician Gabriel Rojas Bilbao, who is also mentioned by the police as a FAL-ZW militant, denied being a member of the terrorist group.

Capt Paredes Sempertegui also emphatically denied that he was in any way involved with the FAL-ZW. Capt Paredes said he was ready to testify whenever the court deemed necessary.

New Under Secretary of Social Defense Installed

PY1507022089 La Paz PRESENCIA in Spanish 8 Jul 89 p 7

[Summary] Armando Urioste has been installed as the new under secretary of social defense, replacing Genaro Marquez, who resigned.

Balance of Trade Shows $56-Million Surplus

PY1507134289 La Paz PRESENCIA in Spanish 1 Jul 89 p 4

[Summary] According to the National Institute of Statistics, the Bolivian balance of trade showed a $56.5-million surplus in the first half of 1989. This result compares favorably with the balance of trade for the first half of 1987, which showed a $100-million deficit, and for the first half of 1988, which showed a $70-million deficit.

Brazil

Illness Keeps Sarney From French Celebration

PY1507131889 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 15 Jul 89

[By Lourival Macedo from Paris]

[Excerpts] [Passage omitted]

Last night, President Sarney did not attend the two last ceremonies celebrating the bicentennial of the French Revolution: the dinner hosted by Prime Minister Michel Rocard and the ballet-opera La Marseillese organized by (Jean Paul Gold) at the Concorde Square. In the ballet-opera, which was attended by 6,000 members of various foreign countries, the French national anthem was sung by the U.S. singer (Jancy Norman). Some 250 choir girls took part in this ballet-opera.

President Sarney sent Mrs Sarney to the two ceremonies on his behalf.

President Sarney's private doctor, Messias de Araujo, prescribed some rest and a diet to help the president recover from his slight stomach ailment. [passage omitted]

President Sarney invited Uruguayan President Julio Maria Sanguinetti and his 30-man entourage to leave Paris in Sarney's plane. [passage omitted]

Sarney is expected at the Brasilia Air Force Base at 1930 tonight.

Returns Home From France

PY1507234489 Rio de Janeiro Rede Globo Television in Portuguese 2325 GMT 15 Jul 89

[Text] At 1930 today President Jose Sarney disembarked at the Brasilia air base thus ending a 4-day visit to Paris, where he attended the bicentennial celebrations of the French Revolution.

Sarney did not attend a banquet given last night by President Mitterrand for the visiting leaders. Before leaving for Brazil, Sarney said he did not go to the banquet for health reasons.

Rio Governor Signs Agreements With USSR

PY1507013489 Rio de Janeiro O GLOBO in Portuguese 13 Jul 89 p 16

[Text] During his 10-day visit to the Soviet Union, Rio de Janeiro Governor Wellington Moreira Franco signed agreements for scientific, technological, and cultural cooperation with the USSR, and began negotiations to organize a Brazilian fair in Leningrad in 1990.

Moreira Franco visited the country at the invitation of Vitaliy Masol, chairman of the Presidium of the Ukranian SSR Council of Ministers. During a news conference with Soviet journalists in Moscow, Moreira Franco said he had the opportunity to witness "a crucial development in Soviet history when the government decided to improve the standard of living of Soviet citizens."

According to Moreira, the main purpose of his visit was to speed up the process of cooperation between the Soviet Union and Brazil, and Rio de Janeiro in particular. The minister stressed that during his visit to Moscow, Leningrad, and Kiev, he worked on several areas of cooperation. His work, he said, will result in the visit of

Brazilian students to the USSR, the granting of scholarships to Brazilian students, the organization of seminars in Rio de Janeiro, and an increased exchange of teachers from the two countries.

The governor said he saw great possibilities for cooperation, particularly in the scientific and technological fields.

"Various Soviet scientists, researchers, technicians, and students are investigating new technologies to improve industrial and agricultural production. These technologies, which will result in cheaper and better products, are very important and could be used by Brazilian industry. We have also seen good possibilities for increasing trade between the two countries—not only by selling more Brazilian goods, but also by purchasing more Soviet goods," Moreira said.

Some of the documents signed during the visit particularly benefit Rio de Janeiro State. These documents include an agreement by which Leningrad will grant scholarships to Rio de Janeiro choreography professors and students. According to Moreira, the scholarship agreement "allows for scholarships for ballet professors to study in Leningrad, and the visit of Kirov Theatre choreographers to Rio de Janeiro."

In Leningrad Moreira negotiated the organization of a Brazilian fair in the Soviet Union in 1990. In Ukrania the governor signed a protocol of intent for scientific, technological, and cultural cooperation.

Moreira said in Moscow that his delegation arranged with the Soviet Academy of Sciences for a Rio de Janeiro delegation of representatives of different research institutes and universities to visit the Soviet Union to work on concrete forms of cooperation. The governor also said he sought the support of the Soviet Academy of Sciences to reorganize the Rio de Janeiro Polytechnical Institute.

Soviet Experts To Install Weather Equipment

PY1707130089 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 17 Jul 89

[Text] Six Soviet experts will arrive in Santa Catarina State this week to install a meterological radar and antihail rockets in (Lebon Regis), 439 km from Florianopolis.

According to Sergio Salles, director of a Santa Catarina agriculture and livestock research company, after the six Soviet experts install the equipment, another specialist will come from Moscow to train the people who will operate the radar and rockets.

Ministry Authorizes Import of Cuban Vaccines

PY1507133889 Brasilia Domestic Service in Portuguese 2200 GMT 14 Jul 89

[Excerpt] Today, the Health Ministry authorized the importation of 200,000 doses of Cuban vaccine against meningitis type B, due to an emergency. The Foundation for Popular Medicine, which is linked to the Sao Paulo State Government, will import the vaccine.

The Sao Paulo Health Secretariat has negotiated with the Cuban Government to import 1 million doses of vaccine. The Sao Paulo government now has 120 days to close the deal.

The remaining 800,000 doses will arrive in Sao Paulo as a concentrate and will be diluted and packaged here in Brazil. [passage omitted]

Government Pays Short-Term Import Loans

PY1707190089 Sao Paulo FOLHA DE SAO PAULO in Portuguese 15 Jul 89 p B-1

[Text] The Central Bank [BC] yesterday authorized payments on interest and principal of financed imported goods due beyond 360 days. The BC had withheld these payments in view of the centralization of foreign exchange operations in the BC. This resumption of payments is an effort to stop private creditor banks from adopting retaliatory measures. Creditor banks have threatened to cut short-term credit lines for Brazilian imports if these payments were not made. The total sum to be paid has not been disclosed, but it is a small amount.

Back payments on interest rates with the Paris Club ($812 million) and private creditor banks (over $30 million), which have been blocked since 3 July, have yet to be disbursed. The remittance of utilities has also been blocked. These payments will be released when Brazilian hard currency reserves reach what is considered to be a "comfortable" level. At this time, reserves total over $6 billion.

In his weekly program "Chatting by the Radio" yesterday, President Jose Sarney said he had postponed payments "of certain foreign debt obligations in order to preserve our reserves and create conditions that will allow my successor to negotiate firmly and maintain our foreign trade."

Representatives from several Brazilian creditor banks met this week with Finance Minister Mailson da Nobrega and with Arnin Lore, the BC foreign department director. Among those who met with the officials were representatives from Citibank, Manufacturers Hanover, Deutsche Bank, and Bank of Tokyo. Mailson and Lore heard the creditors' complaints about delays in payments.

These bankers reminded the minister and the CB department director that in the last foreign debt agreement signed in September 1988, the creditors committed themselves to maintaining the short-term credit lines (about $15 billion) whenever there were no delays in payments of credits issued to finance Brazilian imports. The disbursements made yesterday involve resources that have been blocked since 3 July, when the centralization of foreign currency operations in the CB was implemented.

The first step to releasing these disbursements took place on 12 July when the BC issued a communique suspending the centralization of foreign currency operations in the BC for several kinds of payments on interest and principal. Among these payments were those financing imports beyond 360 days. These operations were included in the list of payments that were subjected to retention in the BC. But foreign exchange operations to finance operations under 360 days are not centralized.

Arnim Lore and Sergio Amaral, the finance ministry international affairs secretary, are scheduled to leave for the United States next week. They have been entrusted with the mission of starting negotiations with creditor banks, primarily regarding foreign debt exit bonds.

Navy Minister Comments on Budget Shortage

PY1407233189 Rio de Janeiro O GLOBO in Portuguese 12 Jul 89 p 16

[Text] Brasilia—Navy Minister Admiral Enrique Saboya confirmed yesterday the information published by O GLOBO that the Brazilian nuclear program will be delayed because of budget cuts. Saboya said that the project to build a Brazilian nuclear submarine, which is considered a priority by the Navy, will have to be administered by the ministry, whose budget suffered drastic cuts early this year.

He added that the nuclear program will be delayed in accordance with the large budget cuts. The program could get a new impulse if additional funds are obtained between now and the end of this year. He also added that the contracts for supplies and services already signed will be fully fulfilled.

It is not only in the nuclear field where the Navy is facing problems, however. According to experts the Brazilian naval fleet is getting old. The "Tupy" submarine, a German project which was recently commissioned to the fleet, is new. The "Minas Gerais" aircraft carrier, however, has technological equipment of the decades of the forties and the nine destroyers bought from the United States were built between 1940 and 1950.

Admiral Mario Cesar Flores, the Navy chief of staff, told the National Defense Committee of the Chamber of Deputies that the power of the Navy does not represent the potential of the country. Adm Flores who is the second in command in the Navy Ministry told the committee that the Navy Command is concerned because the fleet is getting old.

He said: A large part of our naval power is obsolete and I would not exaggerate if I say that naval training is less than adequate. The absence of external threats does not justify the delay in getting new equipment because naval power cannot be improvised at the last minute.

According to naval sources the construction of a new research ship which will join the "Barao de Teffe" in Antarctic exploration will also suffer budget cuts. The O Estaleiro Caneco company, which won the bid to build the ship, has not started working because the Navy is waiting a loan of $70 million (120 million new cruzados at the official exchange rate) from the BNDES [National Economic and Social Development Bank]

Education Minister To Undergo Heart Surgery

PY1807010289 Brasilia Domestic Service in Portuguese 2200 GMT 17 Jul 89

[Text] Education Minister Carlos Sant'anna will undergo a mammary artery heart bypass [as heard] tomorrow at the Heart Institute of Sao Paulo.

Minister Sant'anna was admitted into the Heart Institute this morning and will be operated on tomorrow morning by the team headed by Professor Adib Jatene.

Minister Sant'anna began to feel bad while playing in a ping-pong tournament with his sons in Brasilia some days ago. Last week he was submitted to several tests and the physicians recommended he undergo a heart bypass as a preventive measure. The Heart Institute will release a medical bulletin after the operation tomorrow.

Chile

Opposition Defeat Will Unleash Guerrillas

PY1407170689 Santiago Domestic Service in Spanish 1030 GMT 14 Jul 89

[Text] A Chilean proverb states: The less said, the better. Christian-Marxist leader Luis Maira, head of the Broad Party of the Socialist Left (PAIS), should have remembered this proverb before making unusual comments at a political-cultural ceremony.

During the ceremony, Maira clearly announced that if the center-right candidate wins in the 14 December elections, the PCCh [Communist Party of Chile] will declare the elections dishonest and immediately go underground to unleash guerrillas and other protest demonstrations.

Maira went on to say that if the opposition won the 14 December elections, the PCCh would swiftly go into action and try to get a deputy—or better still, a senator—into Congress. One must fight a war to win it, he said.

We must discredit everything that the dictatorship candidate does. We must fool the people with counterpropaganda [sentence as heard], he said. If the dictatorship's candidate wins the elections, the PCCh will declare the elections dishonest and immediately go underground. It will launch a discrediting campaign and call the people to carry out mass demonstrations, threats, sabotage, and so forth, the PAIS leader said.

A morning paper has published an article stating that Maira made these comments at a political-cultural ceremony at the Goodyear union stadium at 215, Pajaritos Avenue.

PCCh Demands Conditions in Exchange for Support

PY1407164289 Santiago Domestic Service in Spanish 1030 GMT 14 Jul 89

[Text] The outlawed Chilean Communist Party [PCCh] has announced its support for and solidarity with the candidacy of Patricio Aylwin, former chairman of the Christian Democratic Party.

A new aspect to the PCCh's support of Aylwin, who heads the opposition parties' coalition, is that the PCCh has made demands in exchange for this support. First, the PCCh demands that Pinochet resign from all of his public positions; that all Armed Forces and Carabineros high-ranking commanders resign their positions; and that all mayors should also resign.

The PCCh demands the replacement of all judicial branch officials; that the National Intelligence Center [CNI] be dissolved; the immediate release of all so-called political prisoners, no matter what crimes they committed; and a thorough modification of the Constitution, until it is entirely repealed.

The PCCh has demanded more still: that Article 19, (?Item) 15 of the Constitution, which was previously Article 8, be modified; that the implementation of the labor plan be suspended; that the new administration annul the privatizations of all state-owned enterprises that took place after 5 October (?1988); that payment of the foreign debt be suspended; and that economic enterprises and economic groups be controlled.

Police Break Up March; Communist Document Issued

PY1707154689 Santiago Domestic Service in Spanish 1030 GMT 17 Jul 89

[Text] A rally held [on 16 July] at the Caupolican amphitheater, where Christian Democratic leader Patricio Aylwin was publicly nominated presidential candidate, also prompted the appearance of Marxist groups both inside and outside the amphitheater.

These Marxist groups painted shops near the Caupolican amphitheater, which is located on San Diego Street, with slogans offensive to the government and especially to independent [presidential] candidate Hernan Buchi.

When the rally ended, a column of about 1,000 people—headed by Socialist and Communist groups—marched up San Diego Street with their placards and banners, heading for Bernardo O'Higgins Avenue.

Police forces were deployed at the intersection of San Diego and Condor Streets. Police officers asked the demonstrators to clear the street, but the demonstrators ignored the police order and continued their march.

The mob was finally dispersed with tear gas on San Diego Street, between Tarapaca and Alonso Ovalle Streets.

This action contrasted sharply with the inflexible control implemented by guards at the Caupolican amphitheater. These guards even prohibited Radio Nacional reporter Javier Belloux from entering the amphitheater, without providing any valid argument. Another reporter, however, managed to enter the amphitheater; only in this way could we get a look at the rally in which Aylwin launched his campaign.

We also noticed that pamphlets were spread around the area near the Caupolican amphitheater; many of these pamphlets attacked the government, while others expressed support for the opposition candidate. In one of the pamphlets, it was clearly stated: Now Aylwin, and then the revolutionary option.

Also, the communist league released a 5-point document, ignoring the validity of the negotiations conducted among the opposition coalition, the government, and the National Renewal Party concerning the constitutional reforms on which a plebiscite will be held in late July. The communist pamphlet openly calls for an annulment of the 30 July 1989 plebiscite.

Terrorists Attack Mormon Church in Santiago

PY1507183089 Santiago Domestic Service in Spanish 1700 GMT 15 Jul 89

[Text] A terrorist attack has seriously damaged another Mormon church in Santiago. According to a police report, an incendiary bomb was thrown at the church on the corner of Vicuna Mackenna and Mirador Azul Streets, in front of bus stop no. 10. The report states that the fire was brought under control by the fire department of Nunoa District.

The bomb destroyed the entire meeting hall and part of school operating at the site.

Carabineros started to search for the terrorists immediately after the attack, but no arrests have been reported so far.

Radio Stations To Reduce Broadcasting Power

PY1407223589 Santiago Radio Chilena Network in Spanish 1700 GMT 14 Jul 89

[Summary] Chilean radio stations, both AM and FM, will reduce their broadcasting power from 10 to 50 percent as of 17 July, in keeping with instructions to reduce energy consumption. The Chilean Radio Broadcasting Association (ARDCH) has agreed to adopt this measure in view of the serious drought affecting Chile.

Colombia

Barco, Mexico's Salinas Issue Joint Declaration

PA1407221689 Mexico City EL NACIONAL in Spanish 12 Jul 89 pp 1, 11

[Report by Juan Manuel Magana]

[Text] Bogota, Colombia, 11 July—Mexico and Colombia strongly reject all criminal forms harmful to life, human rights, the democratic system, and the development of the peoples.

They reiterate their deep concern over the destabilizing impact of the illicit drug trade and their commitment to contribute to the prompt implementation of OAS resolution AG/938/88.

These statements are included in the joint communique Presidents Carlos Salinas de Gortari and Virgilio Barco issued at the conclusion of two rounds of talks held today, 11 July.

They regarded as imperative the faithful compliance of the Torrijos-Carter Treaties in the settlement of the Panamanian conflict. They reiterated their conviction that it is up to the Panamanian people to solve the problem Panama is experiencing, without any sort of foreign meddling and with respect for its sovereign will.

They closely reviewed the topic of drug trafficking and commented on the serious economic and social consequences it creates, as well as the distortions the influx of money from that activity causes in the economies of the area countries.

The communique, similar to the one signed between Mexico and Venezuela, noted the presidents' satisfaction with the signing of the Vienna Convention against drug trafficking. Moreover, they called on the international community to sign it, promptly ratify it, and implement it.

Regarding their sphere of action, they agreed to further a coordinated head-on struggle against drug trafficking through the adoption of preventive, control, and punitive measures.

In the document, which was 1 of 10 agreements signed between the presidents, the 2 leaders demonstrated their commitment to eradicate the cultivation of drug-producing plants and replace them with others useful to the agricultural sector.

To control the production of drugs, it was agreed to regulate the manufacture, import, export, storage, distribution, and sale of chemicals, solvents, and other elements used in this illicit activity.

The document stressed that Mexican and Colombian specialized police will soon establish an information exchange to fight drug trafficking from production to distribution.

They also noted their interest in creating a cooperation committee to submit recommendations on the most efficient way of implementing this agreement and to provide each other with increased cooperation.

Moreover, they regretted the stalemate in the Central American peace process and urged the area presidents to hold their scheduled summit meeting.

They deemed it to be of special importance for Mexico and Colombia to broaden and increase cooperation with Pacific basin countries and with international organizations linked to the development of this dynamic zone.

Another aspect of the joint declaration is the presidents' concurrence that the Group of Eight constitutes one of the major forums for the process of broader regional understanding. They supported strengthening the Latin American Economic System, Latin American Integration Association, and the OAS.

They indicated the solution to the pressing problem of Latin America's foreign debt calls for international action, based on the principle of shared responsibility between debtor and creditor countries, leading toward a solution fair to all the parties to allow the debtor countries get back on the road toward growth and economic and social development.

The presidents signed at Narino presidential palace a joint communique on the establishment of a program of general cooperation and support that includes different agreements dealing with commerce, science, technology, energy, and the fight against drugs.

They stressed the cordiality of the meeting and their governments' commitment to strengthen and diversify bilateral relations that "mark the start of a new phase based on a gradual and realist implementation."

'Notables' Report Results of Guerrilla Summit

*PA1407222689 Bogota EL TIEMPO in Spanish
12 Jul 89 pp 1, 10-C*

[Communique by "notables"—issued in Bogota on 11 June]

[Text] Communique of the Notables

This commission was formed at the request of rebel groups, and we voluntarily accepted the responsibility with the sole purpose of serving the fatherland. After our personal delegates reported to us the results of the meeting with representatives of the Revolutionary Armed Forces of Colombia-Peoples Army Faction [FARC-EP], Popular Liberation Army-Communist Party of Colombia-Marxist-Leninist [EPL-PCC-ML], Quintin Lame, Revolutionary Workers Party [PRT], and 19 April Movement [M-19] at the fourth Simon Bolivar Guerrilla Coordinating Board summit on 8 July, and after having observed the process initiated after the FARC-EP's high command sent us a message on 23 February 1989, we have reached the following conclusions:

1. The FARC ordered and kept the unilateral cease-fire they had reported initially. The same conduct had been taken previously by the M-19 and was later implemented by the EPL-PCC-ML, PRT, and Quintin Lame.

2. The participants at the fourth Simon Bolivar Guerrilla Coordinating Board summit issued a political statement that was given to our personal delegates. The statement identified topics whose contents, form, and substance we will refrain from discussing at present in accordance with the position we have maintained since the commission's formation.

3. We believe the letter resulting from the fourth Simon Bolivar Coordinating Board summit, which was signed by all the summit's participants and sent to us, is very important because it states that, based on their political statement, they "will maintain an open agenda to discuss the subjects the government deems necessary."

This means—and we believe it is worthwhile to highlight this point—the Guerrilla Coordinator is not imposing any limitation on the Government on the topics it feels must be discussed.

4. Our personal delegates understood the dialogue would not be maintained only to reach a simple cease-fire extension or a truce, but to attain the just and stable peace the Colombian people desire.

5. Faithful to our initial purpose of not interfering in the actions that correspond to the government in the management of public order and the consolidation of peace, we report these considerations, trusting they can be of some use to attain peace.

6. We attach to this declaration all the documents that served to initiate or that resulted from our efforts.

Bogota, 11 July 1989
Misael Pastrana Borrero
Alfonso Lopez Michelsen
Cardinal Mario Revollo Bravo
Fabio Echeverri Correa

M-19, Government Sign New Peace Agreement

*PA1707212089 Madrid EFE in Spanish 1945 GMT
17 Jul 89*

[Text] Bogota, 17 Jul (EFE)—The Colombian guerrilla 19 April Movement (M-19) and the government today signed a new peace agreement in which they established the steps for the demobilization and disarmament of the Nationalist Left-Wing Movement [Movimiento de Izquierda Nacionalista—MIN], which has been active for the past 15 years.

With the signatures of M-19 General Commander Carlos Pizarro Leongomez and Rafael Pardo Rueda, presidential adviser for peace, the guerrilla organization and the government agreed to form a commission that will establish the procedures for the rebels' demobilization and disarmament.

Among the issues the M-19-government commission will study are the stipulation of judicial and political guarantees for guerrillas who return to civilian life and the establishment of the necessary security mechanisms.

At the same time, the "working table" sessions in which government, M-19, ruling Liberal Party, and Social Conservative Party representatives are participating, must reach a political agreement that will allow the agreements that were made during the "analysis and concerted effort" phase, which culminated last week, to be transformed into laws and constitutional reforms. The document signed today establishes that once the political agreement is reached and signed, the procedures for demobilization and disarmament will begin. These procedures will be studied by the aforementioned commission.

The Colombian Government and the M-19 began a peace process on 17 March with the signing of the first agreement, through which the government allowed the guerrilla group a neutral zone. That zone is located in the mountains of Santo Domingo, Cauca Department, southwestern Colombia, approximately 400 km southwest of Bogota.

On 17 March, the M-19 formed a team of 13 spokesmen who had no legal charges against them. That team began to work with the government, political parties, and labor and social groups at the so-called "tables of agreement and concerted efforts" to send a proposal for political, social, and economic reforms to the National Congress.

In the document signed today, the government and the M-19 stressed that the process they began in March created an atmosphere of detente in Colombia, which facilitated the initiation of a similar process with another four organizations that are part of the Simon Bolivar Guerrilla Coordinating Board.

Once the government establishes a formal peace process with the Revolutionary Armed Forces of Colombia (FARC, communist), the Popular Liberation Army (EPL, Maoist), the Quintin Lame Front, (Indian), the Revolutionary Workers Party (PRT, Trostkiyite), the only groups that will remain in the war will be the Camilist Union (ELN) (UC-ELN, Marxist-Leninist), and the recently created Jorge Eliecer Gaitan Movement.

Reportage on Barcos Cabinet Resignations

Two Departures Confirmed

PA1607025489 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 16 Jul 89

[Text] Despite persistent rumors, nothing has yet officially been reported on a ministerial crisis. So far, the only thing confirmed is that the resignation of Justice Minister Guillermo Plazas Alcid has been accepted and that Mines Minister Oscar Mejia Vallejos has also resigned.

White smoke has not yet come from the Narino Palace. The announced decree dealing with cabinet changes has not yet been released. Plazas Alcid returns to where he came from, the Colombian Embassy in the Soviet Union. This portfolio, regarded as this administration's hot potato, has seen eight ambassadors during this government. Plazas Alcid has resigned because he considers his job done and is aware that ministers are removable officials in any government.

[Begin Plazas Alcid recording] By nature, cabinet members are subject to change, like a spare tire, according to the government's and the country's interests. This is the head of state's prerogative. [end recording]

In all, 44 ministers have come into and gone out of the Narino Palace since 7 August 1986. All ministries have undergone changes. The only cabinet member who has not been changed is Foreign Minister Julio Londono Paredes. Should a woman be confirmed as the new justice or government minister, there will be three women in the president's new team.

Crisis Continues; USSR Envoy Named

PA1507184089 Bogota Inravision Television Cadena 1 in Spanish 1815 GMT 15 Jul 89

[Text] It was reported a few minutes ago at the Narino Presidential Palace that the cabinet submitted resignations to Colombian President Barco. Thus far, we can confirm that Justice Minister Guillermo Plazas Alcid's resignation was accepted. He is to be replaced by Roberto Arias Perez. Mines and Energy Minister Oscar Mejia Vallejos is meeting with Barco at the Presidential Palace. Senator Plazas Alcid will be appointed Colombian ambassador to the USSR.

Rumors of a cabinet crisis gained momentum today at the Presidential Palace. Private Secretary German Montoya Velez arrived early in the morning. Mines and Energy Minister Oscar Mejia Vallejos arrived a few minutes later; he confirmed that the 13 ministers had submitted their resignations individually.

[Begin recording] [Mejia] Each minister sent his own letter.

[Correspondent] Did you submit yours?

[Mejia] Of course. [end recording]

Unofficial reports indicate that there will be five changes in Barcos' 10th cabinet crisis. Plazas Alcid confirmed his resignation and said that he will be assigned to a diplomatic mission soon. The justice minister confirmed his resignation during an interview with Marcia Martinez Guerra:

[Begin recording] [Martinez] Mr Plazas Alcid, what happened during your meeting with the president?

[Plazas] The president was kind enough to inform me that I was just appointed ambassador to the USSR.

[Martinez] When will you leave?

[Plazas] We would have to...[changes thought] This embassy is a very important one. The USSR is undergoing a very interesting process, which is drawing international attention. I will attempt to fulfill my duty as ambassador to the best of my ability. [end recording]

4 Cabinet Members Appointed

PA1607171589 Madrid EFE in Spanish 1703 GMT 16 Jul 89

[Text] Bogota, 16 Jul (EFE)—Colombian President Virgilio Barco Vargas today accepted the resignations of his ministers of government, defense, justice, and mines and energy, and appointed their replacements.

The new ministers are Orlando Vasquez, as minister of government, replacing Raul Orejuela Bueno; General Oscar Botero Restrepo, as minister of defense, replacing General Manuel Jaime Guerrero Paz; Monica de Greiff, as minister of justice replacing Guillermo Plazas Alcid; and Margarita Mena, as minister of mines and energy, replacing Oscar Mejia Vallejos.

CNG Proposes Plebiscite for New Constitution

PA1407201689 Bogota EL TIEMPO in Spanish 14 Jul 89 p 10-C

[Text] The National Guerrilla Coordinating Board [CNG] has stressed the need for a new constitution that will reflect "the current national situation." The proposal was made at the end of that organization's fourth summit.

In its proposal, the CNG recommends the separation of Article 87 from the package of constitutional amendments currently under review.

In addition to the amendments proposed by the parliament, that article contains the referendum and the National Constituent Assembly. The CNG proposes holding a plebiscite for a Constituent Assembly, which would approve and endorse the new Constitution.

The CNG also proposes holding a direct dialogue with the government in order to seek political solutions to national problems, "including the problem involving the guerrillas, to directly discuss through a dialogue the most intelligent and feasible political solutions."

The CNG recommends political solutions to the "dirty war," lifting the state of siege, providing openings to strengthen democracy, a realistic solution to the foreign debt problem, full and genuine guarantees for individual rights, as well as readjusting economic policies to allow the expansion of production and the fuller use of natural resources.

UC-ELN Releases Congressman, Journalists

PA1707024689 Madrid EFE in Spanish 0117 GMT 17 Jul 89

[Text] Bogota, 16 Jul (EFE)—The Marxist-Leninist Camilist Union Army of National Liberation (UC-ELN) today freed a congressman and four journalists who were kidnapped on 13 July. These persons had been kept in one of the UC-ELN's camps in the northern part of the country.

The persons released were: Social Conservative Congressman Alfonso Campo Soto, Television Newscast Journalist Olga Fernandez, Cameramen Ruben Dario Alvarez and Gabriel Munoz, and "Diario del Caribe" Reporter Armando Rincon.

Cristian Moreno Payares, the Curimani mayor from the Cesar Department, who was kidnapped on 14 July, remains held by the rebel group.

After they were released, the journalists stated in the Caribbean Barranquilla that the UC-ELN was satisfied that Mines and Energy Minister Oscar Mejia Vallejos had been replaced. The rebels had requested his resignation as one of the conditions to stop their acts of sabotage against the petroleum industry.

The congressman said that he had been treated well and that he had held talks with the rebels about petroleum policies and the need to humanize the war.

Meanwhile, the Venezuelan president's brother-in-law Norberto Rodriguez, who was kidnapped in the eastern North Santander Department on 15 July, remains missing. Rodriguez was reportedly kidnapped by the UC-ELN who also operate in this area.

Officials have reported that at least 14 UC-ELN rebels were killed by the Armed Forces and several of their camps were destroyed in the eastern regions of Arauca, Santander, and North Santander.

According to the reports these actions were held under the Armed Forces "Operation Jupiter" and included large scale attacks with helicopter gunships and bombers.

Also, police sources reported today that approximately 300 UC-ELN rebels attacked the Antioquia Mining Firm, located about 300 meters from an Army base in El Bagre, Bajo Cauca, Antioquia Department. The rebels destroyed 3 electricity towers with dynamite.

Kidnappers Release Government Minister's Nephew

PA1507191989 Bogota Inravision Television Cadena 1 in Spanish 1820 GMT 15 Jul 89

[Text] Government Minister Raul Orejuela's nephew, Notary Public No 5 Jaime Hernan Correa, was released in Cali this morning. He had been kidnapped and held for the past 85 days by a group calling itself Jorge Eliecer Gaitan.

Pipeline Attacked Again; Cleanup Continues

PA1407150689 Bogota Emisoras Caracol Network in Spanish 1220 GMT 14 Jul 89

[Text] For the second time, unidentified terrorists dynamited the oil pipeline between Huila Department and Barrancabermeja. Meanwhile, ECOPETROL [Colombian Petroleum Enterprise] workers are repairing the Cano-Limon Covenas pipeline and cleaning up the Arauca River along the Venezuelan border, where a huge oil spill was caused by another attack against the oil pipeline.

Authorities confirmed that there was a powerful dynamite explosion at the Vina-Puerto Salgar oil pipeline, located approximately 30 km from Natagaima, in northern Huila Department, causing an undetermined amount of crude oil to spill.

This is the second time in less than 1 month that terrorists have attacked the oil pipeline operated by Houston Oil and ECOPETROL. A few weeks ago, terrorists destroyed the pipeline near Aipe, which caused another oil spill.

Meanwhile, operators from the state-run oil company yesterday began repairing the Cano-Limon Covenas oil pipeline dynamited on the night of 12 July in Arauquita jurisdiction, which forced the suspension of oil pumping from Arauca intendancy's oil fields to the Gulf of Morrosquillo.

Members of the contingency team supported by PETROVEN [Venezuelan Petroleum, Inc.] and the Venezuelan Environment and Natural Resources Ministry are cleaning up a huge oil spill at the Arauca River caused by the 7 July attack against the Cano-Limon Covenas oil pipeline. That attack resulted in a spill of 13,000 barrels of oil, which severely contaminated farming areas and the Arauca River, to the point that potable water service was temporarily suspended in Arauca's capital city.

Device Found at Communist Party Headquarters

PA1507191089 Bogota Inravision Television Cadena 1 in Spanish 1827 GMT 15 Jul 89

[Text] A few minutes ago, an explosive device was deactivated at the Communist Party headquarters in Bogota. UP [Patriotic Union] leader Bernardo Jaramillo, who returned to the country only a few days ago, was there at the time. Here is a report by Marcia Martinez Guerra:

[Begin Martinez recording] The Communist Party is currently holding elections to nominate candidates for public office. The names of these candidates will be submitted to the UP. Sir, could you please tell us what happened here?

[Unidentified speaker] It was a minor incident. A dynamite stick was found on a desk, but it was obvious that it did not have a fuse. Everything is back to normal. We are currently holding elections at several locations in Bogota. This is our headquarters, and each of the Communist Party members can vote by presenting his membership card. It is an individual and secret vote, and members can vote within a climate of complete democracy. [end recording]

Government Releases Economic Statistics

PA1407161589 Bogota LA PRENSA in Spanish 13 Jul 89 pp 1, 27

[Summary] The National Administrative Department of Statistics (DANE) reported that the average inflation rate for the period June 1988 to June 1989 was 23.63 percent. The consumer price index rose 1.37 percent in June, although this figure does not include the 10-percent hike in fuel prices decreed by the government on 23 June. DANE also reported that during the 1st half of this year, the cost of living increased 15.16 percent.

Ecuador

Labor Minister, Press Call Strike ' Failure'

PA1307135989 Quito Radio Quito in Spanish 2300 GMT 12 Jul 89

[Statement by Labor Minister Cesar Verduga Velez on 12 July; place not given—recorded]

[Summary From Poor Reception] "Ninety-two percent of the country's labor force went to work as usual today [12 July]." Other groups of employers and employees agreed to stop work and will make up for lost time on their jobs on Saturday, 15 July. The press has confirmed these figures and the strike's complete failure. The government will maintain its policy that dialogue is the best way to resolve future problems and continues its willingness to hold talks with all national sectors. The government also will continue its commitment to preserve peace, order, and security for Ecuadoreans.

Borja on 'Gradual' Fuel Price Increases

PA1607043589 Quito Voz de los Andes in Spanish 1230 GMT 15 Jul 89

[Text] Ecuadoran President Rodrigo Borja has said fuel prices could be raised. He said the increase, however, would be applied gradually to avoid detrimentally affecting Ecuador's economy. He also said the letter of intent to be signed between Ecuador and the IMF has not yet been drafted. He said he was elected by the Ecuadoran people and pointed out that he will not tolerate pressures from any quarter:

[Begin recording] [Borja] We are doing a cost study. The economic specialists are analyzing the situation. We cannot yet give a concrete answer. I can say, however, that, as we have done so far, my government will not take drastic measures. There will be no surprise economic measures. The measures will be applied gradually to avoid a negative effect on the people's economy.

[Reporter] [Words indistinct]

[Borja] [Words indistinct] If you think carefully, you will remember that we have raised salaries by 1 million sucres more than the inflation rate from July 1988 to July 1989. In this way, we have protected the workers' purchasing power.

[Reporter] What measures will be applied now?

[Borja] The same measures we have been applying, such as weekly small-scale devaluations. We have not made any large-scale devaluations. Instead, we have made small adjustments and calibrations through the small-scale devaluations process. We will not, however, increase the devaluation rate, and we do not intend to speed up the small-scale devaluations. This is an example of the gradual economic measures the government has been taking.

[Reporter] [Words indistinct]

[Borja] [Words indistinct] All economic measures will be implemented gradually so as not to adversely affect the national economy. [end recording]

Borja said those who are affected by fuel price increases are not only common citizens but those who own vehicles.

Paraguay

Foreign Minister Argana Returns From Uruguay

PY1407123689 Asuncion HOY in Spanish 14 Jul 89 p 9

[Excerpt] Foreign Minister Luis Maria Argana, at the head of a distinguished delegation of legal experts, has returned to the country after participating in the Fourth Special Inter-American Conference on International Private Law.

During his stay in Montevideo, Uruguay, where the conference took place, Argana was declared an official guest of the Uruguayan Government and was elected vice president of the inter-American conference. [passage omitted]

Government Said Protecting Spanish Extremists

PY1707233089 Asuncion ABC COLOR in Spanish 16 Jul 89 p 47

[Text] On 27 June the Spanish magazine INTERVIEU published an article referring to the presence in Paraguay of an alleged Spanish terrorist named Emilio Hellin Moro. However, efforts made so far to learn his whereabouts have proven unproductive.

Very little is known about the presence of the Spanish engineer in our country, due to the lack of cooperation by Spanish Government authorities to give information on a case which right from the beginning has been dubious, and to the lack of information disclosed by people somehow or other involved in the case.

However, putting some loose information together may reveal the truth about this situation which is still unclear.

According to INTERVIEU, Hellin Moro is not the only extreme rightist currently living in Paraguay. The article also mentions Arturo Barea, Jose Manuel Pena, and Ramon Gisneros who allegedly form part of a Spanish rightist group that is involved in several terrorist attacks in Spain.

According to the publication, these extremists fled from Spain and came to Paraguay where they were granted protection and freedom by high ranking government officials.

At this point of the investigation one wonders how much the police, which are in charge of safeguarding the citizenry's sæfety, did to investigate the background of these individuals.

One only need to look into their background because, as is commonly known, they were all under arrest at the Tacumbu prison in 1986. At that time a request for their extradition by the Spanish court was pending.

Sources that chose not to identify themselves have disclosed that the Spaniards are currently residing at 870 Surbaran Street.

ABC COLOR journalists went to this address yesterday to interview the people allegedly involved in the denounced incidents so that they could give their own version and defend themselves.

A social gathering was obviously being held yesterday afternoon at the given address. Judging by the cars parked in front of the house—all of them expensive and luxurious vehicles—a large number of people were attending the event.

The maid of the house spoke to our journalists and in a confused way said that "she would see if the man of the house was in." Later a woman with a strong Spanish accent, who refused to identify herself, appeared and said that Mr. Gisneros did not live in that house.

The woman refused to give any explanations saying "I know nothing, nor have anything to do in the matter. All that is known has already been said in Spain" she answered abruptly.

A notarized document dated 18 May 1989, however, states that Ramon Gisneros and Arturo Barea have lived, as of that date, in the mentioned house.

The document states that Gisneros and Barea live in their capacity as caretakers of the house that belongs to Mrs Saba Busto de Prieto.

This prompts one to wonder why the facts are being concealed. Events like this only make one wonder why this case is not being handled in a clear and open manner.

Authorities Hold Antinarcotics Summit in Asuncion

PY1307165689 Asuncion EL DIARIO in Spanish 13 Jul 89 p 30

[Text] A meeting held behind closed doors ended yesterday in the National Narcotics Directorate [Direccion Nacional de Narcoticos] office in which the antinarcotics chief of Brazil, Bolivia, Uruguay, and Chile participated. The meeting's objective was to coordinate southern cone efforts in the struggle against drug trafficking.

Last minute problems prevented the Argentine representative from attending the meeting, the results of which were not made public. Inocencio Montiel, the Paraguayan National Narcotics Directorate chief, and the chiefs of the other countries did not report anything on the meeting.

It was known, however, that this international meeting may mark the beginning of a large operation that could start at any moment. The operation is allegedly called "Operation Asuncion."

The National Narcotics Directorate recently raided the "Camba" coffee house, located on the corner of 25 de Mayo and Peru Streets, a drug traffickers meeting place, and arrested four people. A fifth suspect escaped.

During this operation, the police confiscated 850 grams of cocaine which was burnt yesterday in the presence of Judge Cristobal Caceres Frutos.

The following men were arrested and sent to prison: Luis Fernandez Paez, Carlos Gerardo Bogado Garcia, Fidencio Fernandez Martinez, and Jorge Almicar Baez Nunez. The main suspect, Hugo Eleuterio Ortiz Gonzalez, is at large.

National Congress Ratifies Human Rights Pact

PY1507160489 Asuncion ABC COLOR in Spanish 15 Jul 89 p 2

[Excerpt] Yesterday the National Congress, following approval by the Chamber of Deputies, agreed to the approval and ratification of the American Convention on Human Rights, also known as the San Jose Costa Rica Pact. The Chamber of Deputies resolution was unanimously approved and given a standing ovation during a historic, solemn, extraordinary session, which was attended by several ambassadors accredited to the government who were especially invited for the occasion.

The resolution will now be submitted to the executive branch for promulgation. The Foreign Affairs Commission in charge of analyzing the draft bill has recommended that the executive branch analyze, "in the near future, the possibility of recognizing the authority of the Inter-American Court of Human Rights" in cases involving the violation of human rights, according to the president of the commission, Deputy Jose Antonio Moreno Ruffinelli. [passage omitted]

Official on Recognition of Communist Party

PY1307190189 Asuncion HOY in Spanish 13 Jul 89 p 16

[Text] Central Electoral Board [JEC] President Dr Expedito Rojas has said that "the Communist Party may not carry out any activities within Paraguayan territory, and it has even less chance of being recognized."

He added: "The Constitution would first have to be amended. This would be a precondition. No request for recognition of the Communist Party has thus far been submitted. If they do ask for recognition, we will deny it."

The possibility of recognizing this political party, which is powerful in those countries known as the superpowers, was mentioned after the repeal of Laws 209, a law on the preservation of peace and personal freedom and 294 (on the preservation of democracy).

Several lawmakers from different parties have said that following the elimination of the repressive laws, the Communists would be able to freely carry out their activities.

Communist Party supporters were persecuted and jailed during the Stroessner administration, however, they did engage in several political activities in the 1940's. The main Communist leaders participated in the 1947 revolution.

After listening to the lawmakers' opinion on the possibility of the Communists engaging in political activities, Rojas said: "No... no... no. That is a very subjective viewpoint. They might engage in activities within the national territory, but they will not be recognized, like other political parties. The doors will remain closed if the constitution is not amended."

He mentioned Article 118 of the Constitution, which states: "The creation and operation of political parties whose objective is to destroy the republican and democratically representative system of government or the multiparty system will not be permitted. Paraguayan political parties may not form alliances or be subordinated to similar foreign organizations, and they may not receive subsidies or instructions from abroad."

Rojas reiterated that "the Communist Party advocates the destruction of democracy and, consequently, it cannot be recognized, unless the Constitution is amended."

Scavone Appointed Industry Deputy Secretary

PY1207155589 Asuncion ABC COLOR in Spanish 12 Jul 89 p 8

[Text] Yesterday, Dr Ubaldo Scavone, current chairman of the Paraguayan Industrial Union [Union Industrial Paraguaya—UIP], was appointed industry deputy secretary, replacing Igor Fleischer. His appointment is announced in Decree No. 1768, which was signed by President Andres Rodriguez and Industry and Trade Minister Antonio Zucollillo Moscarda. The decree also explains that Scavone was appointed after Fleischer had resigned.

Peru

Interview With SELA Secretary on Foreign Debt

PY1407011889 Lima Television Peruana in Spanish 1800 GMT 13 Jul 89

[Interview with SELA Permanent Secretary Carlos Perez del Castillo by television reporter J. Guevara in Lima—live]

[Text] [Guevara] President Alan Garcia at 1100 this morning inaugurated the 3d Period of the Andean Parliament Special Session. The president asked the Andean Parliament to request the industrialized countries attending the French revolution bicentennial celebration to make a discount on the Latin American foreign debt. Here we have Carlos Perez del Castillo, permanent secretary of the Latin American Economic System, SELA. How did the Andean countries receive President Garcia's call to the Andean Parliament on a debt discount?

[Perez] I think President Garcia's message was welcomed by all SELA members. The French revolution bicentennial is a good occasion for Latin America to ask that the principles of equality and fraternity—the cornerstone of the revolution—be used in dealing with Latin America. Latin American democracy will consolidate and achieve its goals only if the foreign debt problem is permanently solved. Those who speak of a lasting solution are speaking of a significant discount on the foreign debt principal, and its service. I believe the Andean Parliament will send a message to the seven most industrialized countries tomorrow asking them to consider the request because what has been proposed so far is not enough to meet our essential needs and interests.

[Guevara] There has been talk of a 50-percent discount.

[Perez] The SELA has issued a report for Latin American governments to consider. The report calls for a debt service reduction to 25 percent of present levels. This reduction will be achieved if 50 percent of the debt is discounted through bonds covering 50 percent of the capital, all with the guarantee of debtor countries. We are talking about long terms bonds with maturity stretching to 20, 30, and 40 years. We are also asking that interest be reduced to a fixed rate of 5 percent. The SELA has finally proposed the introduction of changes in banking regulations to allow creditor banks to absorb the 50 percent loss in periods longer than the 1 year that is established by present regulations.

[Guevara] How do the debt interest payments affect Latin American development?

[Perez] The drainage of resources has impoverished our nations. The GDP per capita dropped, our import levels decreased, investments practically stopped, and the general standard of living of our peoples sharply decreased. Social and educations systems have deteriorated. Long eradicated illnesses have reappeared because our resources have to be allocated to service the debt. This has been a lost decade for Latin America and the poorest sectors have suffered the most.

[Guevara] Do you think the Brady Plan shows that industrialized countries have changed their conception of the problem?

[Perez] Yes, without a doubt. I think the Brady Plan is a step in the right direction. It is the first time the U.S. Secretary of the Treasury, that is, the U.S. Government, has recognized that the only way to reach a lasting solution to the problem of the foreign debt is to reduce the debt amount and the service. The plan also recognizes that the governments, or the U.S. Government, have an important role to play in solving the problem of the debt. The third important initiative is the proposal for changes in bank regulations to allow creditor banks to absorb the losses, besides creating the necessary incentives for them to participate in the negotiation of a debt discount.

[Guevara] The foreign debt has definitively stopped being an economic problem to become a political problem.

[Perez] The foreign debt is a political problem in need of a political solution. Latin American countries have to take the initiative in finding a solution. We cannot wait for a solution from outside. The 26 SELA members must make concrete and specific proposals regarding the issue of debt discounts.

[Guevara] When will the SELA meet again?

[Perez] The SELA will meet again at the ministerial level in Cartagena de Indias during July. The ministers meeting will decide on a date for a regional conference on the debt that will bring together Latin American finance and foreign ministers and Central Bank presidents. The purpose of the meeting will be to agree on a Latin American and Caribbean proposal that, considering all the common regional problems, could be used as basis for common action on the debt.

[Guevara] Thank you Mr Perez del Castillo.

Andean Group To Prepare Presidential Agenda

PY1407225189 Madrid EFE in Spanish 0124 GMT 14 Jul 89

[Text] Lima, 13 Jul (EFE)—It was reported here today that the presidents of the countries that have signed the Cartagena Accord will meet in Lima this month to prepare the agenda for the meeting of Andean country presidents to be held in Ecuador next November.

This will be the second presidential summit since last May. The first was held in Cartagena de las Indias, Colombia. The group will also celebrate the 20th anniversary of this Andean organization foundation. This organization was created to speed up the regional integration process.

It was announced that the meeting of the Bolivian, Colombian, Ecuadoran, Peruvian, and Venezuelan presidents will be held in Lima from 20 to 22 July.

The delegate will review the draft of a plan to reactivate the Andean organization, which includes priorities such as tasks related to trade, financing, monetary issues, agriculture, industry, technology, services, joint investments and communications.

The Lima meeting will discuss the adoption of a new system for common tariffs, general guidelines for reviewing the minimum external tariff, and it will also study Decision 85 related to industrial property.

The spokesman added that Venezuela is studying the reorganization of its list of custom exemptions and the modification of the common external tariff related to the program of the petrochemical industry.

Presidential Elections Slated for April 1990

PY1407020889 Madrid EFE in Spanish 2301 GMT 12 Jul 89

[Text] Lima, 12 Jul (EFE)—The Chamber of Deputies decided here yesterday that the presidential elections will be held on the second Sunday of April 1990. It thus rejected a Senate bill proposing that the presidential elections be held a month earlier.

The deputies based their decision on the need to observe the Constitution, which states that the waiting period established between two elections must be respected.

Two months ago, the Senate voted to hold an early election because if none of the candidates obtains 51 percent of the vote it would be necessary to hold a runoff election between the leading candidates, as established by the Constitution.

Senator Luis Alberto Sanchez, vice president of the republic, stated that the National Electoral Court does not have the appropriate technical means of a quick vote count and that it should be taken into account that the runoff election would take place a month after the result of the first election is released.

Alan Garcia Perez, who was installed in 1985, will be replaced on 28 July 1990, the anniversary of the Peruvian independence.

On 11 July, Electoral Court President Alejandro Bustamante said that the municipal elections called for 12 November might be postponed due to lack of funds. Bustamante said that the Electoral Court could not cash a check provided by the government to finance the municipal elections in which at least 10.5 million Peruvians will participate.

Socialist Accord Names Candidate

PY1107152089 Buenos Aires TELAM in Spanish 0111 GMT 11 Jul 89

[Text] Lima, 10 Jul (TELAM-DPA)—In internal elections, the Socialist Accord (AS), a coalition of four leftist groups, has appointed Lima's former Mayor Alfonso Barrantes Lingan its presidential candidate for the upcoming elections. The AS comprises the Revolutionary Communist Pakoidos Party [Partido Revolucionario Comunista Pakoidos—PRCP], the Revolutionary Socialist Party, the Mariateguista Regional Bases, and the members of the leftist sector who are not organized in parties.

The four AS groups have split with the United Left—which comprises the Peruvian Communist Party, the Unified Mariateguista Party, the Revolutionary Left National Union, the Peasants and Workers Front and other smaller groups. The United Left still has not named its presidential candidate.

The presidential candidate for the American Revolutionary Popular Alliance (APRA) is APRA Secretary General Luis Alva Castro, and the Democratic Front's candidate is Peruvian writer Mario Vargas Llosa.

Government Engages Rebels in Counteroffensive

Change Engagement Tactics

PY1407182489 Buenos Aires TELAM in Spanish 2212 GMT 13 Jul 89

[Text] Lima, 13 Jul (TELAM-ANSA)—The armed forces, which have resolutely participated in the antisubversive struggle, have in the past few days engaged in bloody confrontations in which almost 100 terrorists have died. The troops have had the support of gunships during the operations.

This information was released today by Defense Minister General Julio Velzaquez Giacarini, who reported that 39 members of the Maoist Shining Path group died in a confrontation in the Andean region of Rumichaca (Ambo) on 12 July.

Speaking on behalf of the armed forces, the minister said: "In the short period during which Dr Alan Garcia will still lead the government, we will try to lay a solid groundwork to avoid the discontinuation of democracy."

A strategic change has been introduced into the antisubversive struggle on the basis of a political decision by the Armed Forces commanders, who have decided to become fully involved in the struggle, using the necessary logistic resources. Until a few weeks ago, the authorities were sending police or military patrols whenever they learned about terrorist attacks or about the deployment of terrorist columns. However, these patrols went on foot or were transported over land, thus running the risk of being ambushed or dynamited, as happened more than once. The police and military forces sustained a large number of casualties.

Now, however, troops are being sent immediately in gunships, which can quickly fly over the geographic barriers that are allies of the terrorists, who can take advantage of these barriers and of the thick Amazonian jungle to deploy their forces, attack, and seek shelter. The clash that took place 29 April in Los Molinos, in which 62 terrorists of the Tupac Amaru Revolutionary Movement died, exemplified the radical change in the strategy.

On that occasion, a military patrol observed a column of vehicles with some 100 terrorists heading for an Andean town near Jauja, 220 km east of Lima. The patrol alerted its headquarters and in a few minutes the column was intercepted by hundreds of troops transported by helicopters. The troops were deployed in strategic places and could effectively eliminate the terrorists.

Army Kills 16, Destroys Camp

PY1107144789 Lima Television Peruana in Spanish 1300 GMT 11 Jul 89

[Text] Military spokesman in Lima have reported that last Sunday the Army destroyed another subversive camp—the second one in 3 days—in Maranon Province, Huanuco Department.

The operation, in which Army troops transported by helicopter killed 16 Shining Path members, took place on 9 July in the Alto Azul region, southwest of the town of La Morada.

22 Terrorists Die in Clash

PY1707165889 Madrid EFE in Spanish 0048 GMT 16 Jul 89

[Text] Lima, 15 Jul (EFE)—Twenty-two Shining Path terrorists died in two clashes with Army personnel, the Peruvian Armed Forces Joint Command reported today.

The first clash occurred on 13 July in Leonardo Prado Province, in the northern department of Huanuco, where airborne military patrols have been destroying Shining Path camps since 6 July.

According to an official communique, the military parols killed 17 guerrillas during a surprise attack on a guerrilla training camp.

On 14 July, military forces killed five more Shining Path guerrillas—including a woman—who were trying to escape after the earlier attack.

With the 13-14 July casualties there have now been 97 terrorists killed this month, according to military sources, who also noted that a noncommissioned officer died and an corporal was wounded during the 13-14 July clashes.

It has also been reported that the military forces seized arms, ammunition, medicines, and explosives during the recent attacks.

Police Kill 5 in Cusco Department

PY1707145189 Madrid EFE in Spanish 1655 GMT 15 Jul 89

[Text] Lima, 15 Jul (EFE)—Five alleged Shining Path terrorists died in a clash with National Police personnel in Cusco Department.

According to the local radio station Radioprogramas del Peru, the clash occurred in a mountain range between the provinces of Canas and Espinar.

The National Police reported the clash but did not specify when it occurred. Cusco, the capital of Cusco Department, is located some 1,000 km southeast of Lima.

Political violence has claimed the lives of 14,200 people in Peru since 1980 and the damage caused by terrorist attacks, has been officially estimated at $10 billion.

General Responds to Rebel Demands

PA1707224489 Paris AFP in Spanish 2118 GMT 17 Jul 89

[Text] Lima, 17 Jul (AFP)—Today, sources in Lima confirmed the 16 July report by General Alberto Arciniega Huby, political and military chief of the northeastern security zone, about the disappearance of 52 Peruvian soldiers at the hands of the Tupac Amaru Revolutionary Movement (MRTA) in the Amazonic Department of San Martin.

Military sources indicated that 97 terrorists were killed over the past 10 days during a counteroffensive that began on 6 July in Maranon Province, Huanuco Department, 450 km east of Lima.

Gen Arciniega reported the soldiers' disappearance in Tarapato City (San Martin Department) in response to the MRTA, which demands the release of nine rebels who were arrested. The MRTA demands the release of the rebels in exchange for the release of Demetrio Tafur, 52, president of the San Martin Development Corporation, who was kidnapped on 25 June.

In what was considered as the first public response of a military chief to a terrorist group up in arms, Gen Arciniegas said: "If the MRTA is protesting the suspected disappearance of its members, that sinister group must account to the Army for the fate of 52 of its soldiers."

In a document distributed among the media of Tarapoto City, the MRTA confirmed the abduction of Tafur and asserted that he is in good health.

The MRTA has also given the government 8 days to set the date for a referendum by which the people of San Martin Department can make known whether or not they agree with the headquarters for the regionalization (decentralization) effort in Trujillo, La Libertad Department.

Concerning the Army's counterinsurgency offensive, military commanders have said that intensive air patrols and the mobilization of Army troops using helicopters have produced severe defeats for Shining Path and the MRTA in various parts of the country, especially in the dense Amazon Jungle.

As a result of operations on 6 July in La Morada, Maranon Province, Huanuco Department, 20 rebels have died, a rebel camp was ravaged, and the authorities have seized a large amount of arms and ammunition.

On 11 July, another 16 rebels died in a clash near Alto Azul, Huanuco. The next day, 39 Shining Path guerrillas and a noncommissioned officer died in a confrontation in Rumichaca, Province of Ambo, Huanuco Department. A noncommissioned officer was wounded in this clash.

Military sources have reported that on 13 July, 17 Shining Path guerrillas died in Leoncio Prado, Huanuco, and another 5 were killed the following day in clashes with authorities.

The military sources also reported that on Sunday, Army troops took charge of the installations of the mining center of Morococha, Junin Department. The installations were ravaged on 14 July by rebel elements, leaving about 2,000 workers without work. A spokesman for the state-owned mine has said that it will take 4 to 5 months to put it back to work.

Terrorists Continue Activities Against Government

Two Policemen Killed in Arequipa

PY1107173389 Madrid EFE in Spanish 0556 GMT 11 Jul 89

[Text] Lima, 10 Jul (EFE)—An officer and a policeman of the Peruvian police were murdered by a group of alleged members of the Shining Path terrorist organization in the southern department of Arequipa, according to a report released by regional police sources.

The crime occurred during the night of 9 July in the village of Tipan, located close to the town of Aplao, the final destination of the bus in which the two men were traveling after departing from Arequipa, the department's capital, 1,025 km south of Lima.

Lieutenant Ernesto Maurolagoitia and policeman Evaristo Casas, who were traveling in civilian clothes, were shot dead after being identified by approximately 30 subversives who had intercepted the bus.

The two members of the National Police were based in the village of Pampacolca, which is on the bus' route.

Terrorists Kill Six in Ancash

PY1407035289 Madrid EFE in Spanish 0203 GMT 14 Jul 89

[Text] Lima, 13 Jul (EFE)—Shining Path terrorists have killed six people in a township of the Peruvian northern department of Ancash, a local police source reported today.

The source says that on 11 July, the terrorists attacked a health post in Corpanqui, a village south of Ancash, about 300 km north of Lima. They killed three male nurses, a dentist, and two teachers.

Corpanqui is in Bolognesi Province, 130 km south of Huaraz, capital of the Ancash Department. Ancash prefect (civilian governor) Hernando Mantilla, has reported that a police patrol left for Corpanqui.

Press reports said that only 2 out of the 24 districts of Bolognesi Province have government officials. The other officials resigned because they were threatened by terrorists.

In view of this situation the offices of the city hall, the justice of the peace, and public prosecutor of Chiquian, capital of Bolognesi Province, have been transferred to Huaraz.

Uruguay

Senator Batlle Launches Presidential Campaign

PY1707180089 Madrid EFE in Spanish 0023 GMT 17 Jul 89

[Text] Montevideo, 16 Jul (EFE)—Senator Jorge Batlle Ibanez, who is running for the ruling Colorado Party, has launched his presidential campaign. He announced that if he is elected in November, he will promote a coalition government with other political parties.

In a luncheon held Saturday [15 July], which was attended by about 2,000 people, Batlle confirmed that Jorge Sanguinetti, the current transportation and public works minister, would be his running mate, and asked for the unity of the entire Colorado Party.

Batlle became a presidential candidate on 28 May after internal elections within the "United Batllism" ["Batllismo Unido"] sector of the Colorado Party, in which he defeated Vice President Enrique Tarigo, who is also a senator.

In his speech, presidential candidate Batlle offered the opportunity to head the Senate tickets "as a way to support the party's unity."

Battle emphasized that if he is elected president in the general elections on 26 November 1989, he will promote a coalition government "with the other political parties willing to participate."

If he is defeated, Batlle committed himself to supporting the winner "because this is necessary for the entire nation, so that the winning party can govern."

The Colorado presidential candidate also discussed Uruguay's economic situation and those of its neighbors, Argentina and Brazil, "who have always harassed us with their difficulties."

Batlle announced that on 1 August he will resign his senatorial seat in order to dedicate himself to a presidential campaign "that will not be targeted against people but will involve a challenge of ideas, because all of us will have to work together after the election to promote Uruguay."

The Colorado Party, which has been in power for a great part of Uruguay's history, will run in the elections scheduled for November 1989 with two presidential candidates: Jorge Batlle and Jorge Pacheco Areco, a conservative former Uruguayan president.

Venezuela

President Calls for North-South Dialogue

PA1407202689

[Editorial Report] Caracas Venezolana de Television Canal 8 in Spanish at 1600 GMT on 14 July carries a 4-minute report "via satellite" by the television station's special correspondent Diana Iturriza from Paris on Venezuelan President Carlos Andres Perez' activities in Paris, where he, along with other world leaders, is participating in the commemoration of the 200th anniversary of the French Revolution.

The report begins with closeup shots of special correspondent Iturriza and of President Perez making statements to the press. The report also includes medium shots of a meeting between the presidents of various developing countries and French President Francois Mitterrand. Special correspondent Iturriza then says that French President Mitterrand will release an "important" document signed today by the presidents of Venezuela, Egypt, Senegal and by India's prime minister.

The report proceeds to present recorded statements by Venezuelan President Carlos Andres Perez, who says: "Presidents Abdou Diouf and Husni Mubarak of Senegal and Egypt, respectively, Indian Prime Minister Rajiv Gandhi, and I—representing the three continent's developing countries—have asked President Mitterrand to inform the other presidents participating in the Group of Seven summit of our intention and desire to begin talks at the United Nations and its affiliated organizations and to call for a summit of developed and developing countries at an appropriate date to make important decisions. These decisions could help us to overcome past failures and successfully resume the North - South dialogue. We expressed this in a communique that we delivered to President Mitterrand. Mitterrand informed us that he would be our spokesman at the Group of Seven summit."

The special correspondent adds that President Perez met with the other Latin American presidents attending the Paris ceremonies "to consolidate" their position on the foreign debt problem and the "necessity" of restructuring the Latin American economies.

With the voice of the special corespondent in the background, the report presents medium and closeup shots of the meeting held by the Latin American presidents attending the Paris celebrations. The report then carries recorded statements by President Perez on the foreign debt issue. President Perez says: "We have no reason to wait for instructions from the wealthy countries. We are willing to cooperate with those countries insofar as they cooperate with us." The report concludes with a report on the activities that President Perez will carry out today.

Minister on Kidnapping of President's Relative

PA1707172289 Caracas Venezolana de Television Canal 8 in Spanish 1622 GMT 17 Jul 89

[Interview with Defense Minister General Filmo Lopez Uzcategui by unidentified reporters; date and place not given—recorded]

[Text] [Lopez] We have reports that Norberto Rodriguez [President Perez' brother-in-law] could still be in the border region, near the spot where he was kidnapped by those people. We do not know who the kidnappers are. We are working on this.

[Reporter] Have you stepped up surveillance in the area? Has finding the station wagon given you any clues?
[Lopez] Yes, of course, we are looking into this. The Colombian police have the information and are working based on this.

[Reporter] What about a ransom? Has the Venezuelan Government been contacted?
[Lopez] There has been no contact. We are hoping there will be a contact so that we can proceed from there.

[Reporter] Is it true a ransom has been demanded?
[Lopez] I have no proof of that. I do not have that information.

[Reporter] What is the most recent information the Venezuelan Government has received?
[Lopez] We were briefed on the work being coordinated with the Colombian authorities. We are working very closely with them, like brothers. The two armies and the authorities are working together.

[Reporter] If a ransom is demanded, is the government willing to pay it?
[Lopez] I cannot answer that question; that would depend on Rodriguez' family.

[Reporter] The Colombian Government has much experience with kidnappings. What do they say about this case? What do they think the outcome will be?
[Lopez] We always work based on our experience with similar cases. This kidnapping could have been carried out by the rebels, and we already know how the rebels operate. He also could have been kidnapped by common criminals. Even though it may seem that the case would be handled similarly in both instances, it is not so. We are going to wait a bit longer. We believe we may get more information today.

[Reporter] It is not Venezuelan Government policy to pay ransom in cases such as this one. Will an exception be made in this case?
[Lopez] I believe we should follow our policy. There are means that can be used to reach an understanding; this would happen once we have specific information.

1989 Oil Production, Export Figures Released

PA1407161789 Caracas EL NACIONAL in Spanish 6 Jul 89 p D-7

[Summary] According to figures released by Venezuelan oil industry officials, oil exports increased slightly during the 1st half of 1989. During this period, Venezuela exported approximately 1.58 million barrels of oil per day at a cost of approximately $15 per barrel.

* FIV Focuses on New Investment Strategies

33480211a Caracas EL NACIONAL in Spanish 27 May 89 p D-7

[Text] According to Jose Rafael Betancourt, the promotion and preinvestment manager for the FIV [Venezuelan Investment Fund], the economic situation the country is experiencing has made changes in the operational policies of this body necessary. Its role in the financing of major investment projects is being replaced as a priority by other functions consistent with the new financial and institutional capacity.

Notable among these functions is the promotion of investment, particularly foreign investment, and also the preponderant role the institution will have to play in gradually and selectively encouraging participation by the private sector (domestic and foreign) in the administration and stockholding portfolios of some state enterprises.

The efforts in connection with promotion will be oriented basically toward the development of the following productive sectors, to which the national executive branch has assigned priority:

- The metal-mechanical industries, which produce intermediary and finished goods derived from the basic iron, steel, and aluminum industries.
- The mining, chemical, and petrochemical industries, based on the high potential of the resources found in the country.
- Agriculture and agroindustry, based on crop, livestock, and fishing resources with a high exploitation potential in the tropical region.
- Electronics, data processing, and telecommunications, based on the high training level of the human resources to be found in the area.
- Tourism, based on the wide diversity of natural attractions to be found in the country.

The assignment of priority to these sectors for economic and social development was based principally on the following reasons:

- They represent the sectors with the greatest capacity for replacing imports, since the products derived from the activities listed represent a high percentage of the country's imports.
- They offer obvious comparative advantages (manpower, location, and raw materials) for easy conversion, or competitive advantages, opening up a great export potential.
- The country has solid organizations (both private and governmental) which basically make their development possible.
- They contribute to the processes of economic decentralization and job generation.

Projects are being selected for the specific purpose of promoting foreign investment which, in addition to being included in the economic sectors mentioned, meet at least one of the following three criteria:

- The total investment required for the execution of the projects.
- The projects to be promoted abroad must, in the majority, make relatively high demand for economic resources, since this would significantly reduce the possibility of total financing based on domestic capital.
- Contribution to the diversification of the domestic economy. The projects to be promoted on the international level will have to guarantee the exploitation of production areas as yet little served by domestic industry, in addition to exploiting the comparative advantages to be found in the country.

- The technological element.

The majority of the projects to be promoted abroad will have to make relatively complex technological demands, either because of the difficulty of meeting them domestically or because of their high cost on the international market. Encouragement of foreign investment in these projects will not only make it possible to introduce this technology at an accessible cost, but will, in addition, facilitate a gradual and systematic process of technological assimilation and apprenticeship, which in the long run will contribute to increasing our domestic technical capacity in these sectors.

* Tariff Reforms To Attract New Businessmen

33480211b Caracas EL NACIONAL in Spanish
24 May 89 p D-7

[Article by Wilmer Ferrer]

[Text] The tariff amendments to be announced on Friday by President Carlos Andres Perez may make an increase in the number of businessmen in the country possible, because it will allow the development of trading establishments whose owners need not be in possession of heavy capital.

Also, the way in which the reform is being drafted will allow the development of small and average industry, strengthening this sector.

The director general of the Foreign Trade Institute, Laureano Rivera, has explained that if small and average industry does not have to depend on the monopolies to provide raw materials and other supplies, the sector will be able to import what it needs freely, with a view to reducing production costs. In this way, small and average industry will become more competitive on the domestic market, and will be able to go to the foreign markets. The countries which have developed greatly have based their production and productivity on small and average industry.

Laureano Rivera said that it is extremely difficult to set a limit on the volume of imports which will come into the country this year thanks to the implementation of the tariff reform. This is because these imports will be subject to the dictates of the floating dollar, tariffs, and customs rates. It is these three factors, Rivera pointed out, which will lead to the slowing or stimulation of imports. In this connection, the imports made will be those the domestic productive apparatus needs. Therefore, if the emphasis is placed on capital goods, which presumes that customs duties will be lower, with raw materials and intermediary goods following in order of importance, the preponderant likelihood will be more imports in these categories.

The domestic industrialists will have to have more competitive businesses and to manage them in such a way as to adapt to this function. If their firms cannot compete with the imports which are likely to begin to come in as of the second half of the year, "many will have to be converted, or will be simply forced out of business," Rivera said.

This is why he notes that with the tariff reform, there will be opportunities for more businessmen to come in, the idea being that they must be competitive and must generate wealth. Two of the industries which appear likely to be most favored are textiles and footwear, because of the competition in which they will be involved with regard to the materials supply industries. He added to his explanation the comment that imports will increase to the extent that the country develops. "If there is growth, an increase in imports is logical, because to try to keep imports at a certain level if the country is not growing makes no sense. Therefore imports must be dynamic," he argued. On the other hand, Rivera said that an increase in the export sector has already begun to be seen this year. He based this statement on talks with the managers of the Latin, Provincial, and Consolidated Banks. The commercial banks say they are seeing an upswing, and if exports increase between 6 and 10 percent this year, this will be a very positive indication of the response of exports to the policy which the government is attempting to implement. Along this same line of thinking, Rivera said that exports declined by 10 percent in 1988, but in the course of this year, they will recover to the extent that the measures planned by the foreign trade sector are carried out.

* AD Leadership To Evaluate Perez' Reforms

33480211c Caracas EL NACIONAL in Spanish
25 May 89 p D-6

[Article by Ludmila Vinogradoff]

[Text] The national Democratic Action [AD] secretariat will assess the political cost of the economic measures approved by the Perez government, and will draft its strategy for the gubernatorial, mayoral, and municipal council elections.

The meeting, which is to be held in Cumana between 25 and 27 May, will be attended by 250 individuals, including the secretaries general of the organization, those heading the programs of its national secretariat, and especially invited guests. The guests will include the ministers of finance, development, agriculture and livestock, and urban development. They will set forth the government programs pertaining to the economic measures approved by the executive branch.

The secretary of the AD, Senator Luis Alfaro Ucero, said that the 3-day meeting will be inaugurated on Thursday morning by the national secretary general of the AD, Humberto Celli, and former president Jaime Lusinchi will speak at that session. The meeting of the secretariat, the second to be held in Cumana, will be adjourned on Saturday morning by President Carlos Andres Perez.

The participation of President Perez has created certain expectations, not only within his party but in the country as a whole, in view of the very critical period the Venezuelan nation is experiencing and the fact that Friday evening the chief of state announced to the country the policy which the government will pursue in the tariff and trade sector. However, it has been commented in circles on the top level of the "white" party that the AD will emerge from this meeting strengthened, and also that relations between the party and the government will be consolidated.

Senator Alfaro Ucero said that this is the fifth meeting of the national secretariat of the AD to be held in the country.

The agenda includes an analysis of the December 1988 electoral process, a political activism program, an update of the membership records, amendment of the Organic Voting Law, the organization of the 1989 electoral process, and the organization of the internal processes for choosing the candidates for gubernatorial, mayoral, and municipal council posts. Also, the subject of the renewal of party authorities on the national level in the future will be taken up.

* CTV Projects 30-Percent Unemployment Rate

33480211d Caracas EL NACIONAL in Spanish 25 May 89 p D-9

[Article by Omar Lugo]

[Text] The acting president of the Confederation of Venezuelan Workers (CTV), Gaston Vera, has said that the real rate of unemployment in the country stands at 30 percent of the labor force. This figure includes informal workers who are regarded as part of the hidden unemployment total, and if this figure is accurate, it would mean that 1,950,000 workers, out of a labor force of 6,452,000, are unemployed or without permanent jobs.

Vera emphasized that this figure has swelled in recent months because of the decline in investments, above all in construction, "which is totally paralyzed," as well as agriculture and the manufacturing enterprises. This situation has distorted the labor market, and is being aggravated by the natural growth of the active labor population. Additional individuals looking for job opportunities, but unable to find work because of the economic recession the country is experiencing, are joining the work force every year.

"The lack of investments by the major economic groups is a form of attack upon our economy," Vera insisted. He will replace J.J. Delpino as president of the CTV for 2 months.

"In order to deal with this situation, which is rapidly becoming worse, the leaders of the workers, through their parliamentary representatives in the National Congress, have a duty to propose and ensure the approval of a law which will expand job security consistent with the needs set forth, in order to avoid further dismissals and deterioration in the unemployment situation which the working population is experiencing," this leader stated. The job security decree issued by President Perez will cease to be effective in the first week of July, and there is every reason to expect that when this legal tool is no longer effective, mass dismissals will aggravate the situation.

However, a law approved by the parliament could extend this deadline into the future until a new labor law providing for unemployment insurance or some kind of social compensation for those unemployed is approved.

Consensus Building

After a national strike by the workers, which lasted a week and was originally organized to protest against the economic program of CAP [Carlos Andres Perez] and to force its alteration, the executive committee of the CTV has not as yet evaluated the results. It will be next week, on Tuesday, when a special meeting of the secretariat may finally determine the concrete results achieved. However, observers connected with the trade union sector believe that the strike as such was not an end, but a means, and that if tangible results have not been achieved within a reasonable time, it will have failed. In this connection, Delpino's trip, lasting a month and a half, may have had the effect of tarnishing the strike he launched, which was successful in reconciling opposing factions in the trade union sector.

However, the CTV leaders on the highest level say that there has been no pronouncement or reorganization of concepts subsequent to the national strike, and that this is a phenomenon still being studied.

For the time being, Gaston Vera, the spokesman for the meeting yesterday, discussed the role of the effort called the "national agreement for consensus building" proposed by the adviser to President Perez, Luis Alfredo Freites, designed to reconcile the CTV, the Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry], and the government with a view to the economic recovery of the country and the battle against inflation.

"The term 'consensus building' is synonymous with mistrust. To date none of these meetings has resulted in benefits for the working class. A real consensus building should include and accept the opinions of all parties, with the points to be discussed established in advance. Where the trade union sector is concerned, we should participate on the basis of equal conditions. We now have specific bases for presenting our position, as set forth in the document of the Second Special Congress," Vera said.

In the view of the CTV, this consensus building would be conditional upon a commitment by the government and the business sector to accept several basic points: job security, job stability, improvements in the workers' socioeconomic conditions, and approval of the social laws submitted to the National Congress—the Labor, Antimonopoly, Housing Policy, and Tax Reform Laws. And to all of this would be added social security and INCE [National Institute of Cooperative Education] reform.

As conditions for consensus building, the CTV also demands that collective bargaining contracts be reviewed every 6 months, and that they be valid for only 2 years. On the other hand, it demands a limitation on speculation and businessmen's excessive profit margins, and that direct wholesale marketing systems for mass consumer goods be established. All of these latter measures would be designed to slow inflation and speculation.

* Legal Status of National Guard Fosters Concern

33480217a Caracas EL NACIONAL in Spanish 11 Jun 89 p D-4

[Text] The police, and particularly the Metropolitan Police, have been converted in a contradictory manner from an instrument of the state's repressive action into a victim of the authoritarian state itself, declared Professor Angel Ziems, a member of the MEP [People's Electoral Movement] National Directorate, during a lecture held yesterday at the Maestro Prieto Political Training Center's headquarters in Los Caobos, and entitled "Public Security, Police Crisis, and National Guard Interference."

Professor Angel Ziems added that the exacerbation of the police crisis is due largely to the notion held by the political leadership and those who have discharged public security administrative functions that the police is a marginal, degrading, underestimated institution. This is a Gomez-type mentality, which has remained unchangeable during the 30 years of democracy. COPRE [Presidential Commission for State Reform] and the Metropolitan Police Reorganizing Commission, headed by Commissioner Giron Sandoval, have sufficient materials, projects, and initiatives (some of them shelved in Congress) to lay the foundations for a genuine police reorganization based on four basic principles: scientific and technical development, institutional coordination, promotions, and social security for the public employee.

There is a police coordination project which, with life's irony, the current interior minister, "policeman" Izaguirre, acting more like a "military man," has not dusted off.

In his lecture Ziems claimed that there is in Venezuela a proliferation of police forces, overstepping of functions, and duplication of police activity. Hence, a reorganization is also required in the other police forces and in the public and private intelligence agencies. For example, we have the (state and municipal) Metropolitan Police forces, the National Guard itself, the DISIP [Directorate of Intelligence and Prevention Services], the PTJ [Judicial Technical Police], the DIM [General Directorate of Military Intelligence], the intelligence services of each military branch, and the traffic watch force. We should add that there are industrial and bank police in certain states. Then, in the private sector, we find the guard companies, usually in the hands of former military or intelligence officials linked to the parties that have been in power. We should also note that many former officials are also leading stockholders. These private guard entities have so much impunity in the discharge of their functions that they commit arbitrary acts such as those that we have observed or experienced on the streets when we encounter employees of companies transporting valuables. This duplication of functions should be terminated with a law on police coordination that would bring about an integration of functions.

The National Guard has overstepped its functions defined in Article 12 of the Organic law on the National Armed Forces, [FAN], especially section "F: to cooperate in executing the operations required for the maintenance of public order," and also section "L: any others specified by the laws and regulations." Based on both sections, it is as if the political sector in government office has allowed the Armed Forces of Cooperation [FAC] to interfere in the normal activity of the police, creating, in turn, a dangerous deviation of the National Guard's military functions, changing them from military activity to a parapolice activity, unlike the DISIP, which underwent deviation to a paramilitary agency.

Professor Ziems added that this deviation was legalized in 1983, when the National Congress, in the amendments that it made to the Organic Law on the FAN, expanded the FAC's internal functions (see Official Gazette, Special No 3,256, of 26 September 1983). That was the best opportunity for removing police functions from the National Guard and passing a law on police coordination. This maximum type of deviation was the work of (FAC) General Melgarejo, as head of the Metropolitan Police during the Lusinchi government.

* Feasibility of Export Diversification Viewed

33480217b Caracas EL NACIONAL in Spanish 11 Jun 89 p D-13

[Text] Barquisimeto—Venezuela, and the state of Lara in particular, have considerable exportable supplies generated by the various economic activities associated with agriculture and agroindustry, the manufacturing and metal-working industry, and the chemical, construction, pharmaceutical, plastics, lumber, and electricity industries.

This statement was made by the president of the Venezuelan Exporters Association, Regulo Campos, during the opening of the First Regional Forum on Promotion of Nontraditional Exports, held in this city.

Nevertheless, he claimed that fundamental problems have to be solved. There must be organization for exporting, and the available infrastructure needs to be adjusted because there are areas that must operate suitably. Required in particular is a clear-cut policy with respect to transportation and freight, containers and packaging, and, most of all, financing. Also necessary is the definitive establishment of regulations covering nonconventional types of trade, in other words, compensated exchange, barter, triangular operations, and others.

Regulo Campos told those attending the forum that the new policy, termed one of economic reorientation, is aimed essentially at resolving the serious imbalances in the national economy.

He remarked: "We think that the solution to those imbalances lies in lobbying, the essential precedent for making it possible to develop a policy with far more depth in the country."

Campos Martinez, for his part, noted that this means problems, displeasure, and sacrifices, but it must necessarily be carried forward if we really consider the need for extricating Venezuela from the serious conflicts and difficult situations that it is currently confronting. As he put it, Venezuela has a large variety of products capable of being exported, among which he mentioned not only those associated with the state's basic industry, but also the country's metal-working industry. He claimed that the latter is quite developed, with a large exporting capacity and a good ability to compete.

He observed: "We have a rather significant petrochemical industry, a manufacturing industry that has, in general, a capacity for selling its products on international markets, and a sizeable agroindustrial activity, especially in the canned goods area, that is vying on foreign markets under competitive conditions."

He noted: "We also have agricultural activity, particularly in the fruit and vegetable sector, with mangoes, melons, pineapple, and garden produce such as red peppers, tomatoes, etc., with sufficient quality and quantity to supply nearby markets."

The Venezuelan Exporters Association which, together with FUDECO [Foundation for Developing the Mid-Western Region] and the OA Exporting and MAS Advertising firms [expansions unknown] organized the function held in the Lara capital yesterday, suggests the need for heightening competitiveness, improving the conditions under which we must compete on foreign markets, that is, raising productivity, and making use of the best techniques and technologies to make this possible.

Emphasizing the conditions favoring export activity, Campos cited the pressing need for the country to export (so as to improve its balance of payments), and to form a far stronger exporting consciousness and a public and private policy that will foster activity aimed in that direction.

* CENDA Predicts Failure of Economic Package

33480217c Caracas EL NACIONAL in Spanish 4 Jun 89 p D-9

[Text] The adjustments program established by the Perez administration will bring about further economic imbalances that will compound those already existing, and its social repercussions will be of such magnitude that they could only be managed by an authoritarian regime capable of suppressing the opposition. Predominating in it is a search for short-term results, with a macroeconomic approach that fails to establish priorities for the sectorial and regional policies.

These are some of the conclusions reached by the Documentation and Analysis Center for Workers (CENDA) in making a preliminary assessment of the economic and social measures that the government has announced to date. It notes that many of them are interconnected in an inconsistent manner, and in obvious contradiction to what was promised in the electoral campaign pledges.

The analysis reveals that in the macroeconomic area, the program, which sets as a goal the revitalization of steady, stable growth for the country, has confined itself to implementing a package replicating the classic IMF adjustments program that has already failed all over Latin America. It starts with an erroneous diagnosis, believing that the productive system is suffering from an inflation caused by demand for which a policy of shrinkage has been devised that will produce results contrary to those anticipated. The analysis warns: "Instead of stable growth, the current recession with inflation that our economy is undergoing will become intensified."

The Debt

The government expects to resolve the imbalance in external accounts, to increase international reserves, and to procure fresh money. The CENDA studies reveal that if the procurement of fresh money is achieved through the IMF, the World Bank, the Inter-American Development Bank, and the financing sources in Spain and Japan, within 5 years the net debt would be twice the current size of our foreign debt.

"In fact, if these loans are implemented as has been specified in the letter of intent (at a free interest rate fluctuating between 7 and 9 percent annually), the total amount of the debt will surely increase by about $20 billion. Therefore, CAP [Carlos Andres Perez] would end his second term with a net foreign debt of approximately $55 billion."

Inflation and Production

The government expects to curb inflation over the medium term, and not to have it exceed 30 to 35 percent. This is a really conservative estimate, as proven by the fact that the inflation accumulated thus far this year stands at 43 percent. Although the authorities estimate that it will begin declining in June, CENDA harbors serious doubts because at the end of May, precisely, the so-called bridge prices set by the Development Ministry expire and the complete adjustments stemming from the 175 percent devaluation will be made. "This prospect enables us to reiterate our conviction that inflation will exceed 100 percent this year."

"The structural features of our productive system, which the neoliberals consider to be merely distortions preventing the market from operating freely, are being underestimated. In a deficient economy such as ours, price decontrol means widespread speculation, concentration of assets hurting small and medium-sized industry, and an alarming deterioration in the population's real income. The anti-inflationary goal of the package is doomed to failure. The atmosphere of insecurity is such that one cannot discern either the time or the conditions for the price increase to be translated into an increase in demand (as the government expects). On the contrary, the intensification of shortages has been announced which, if confronted with imports, would generate an additional pressure on the rising cost of the dollar."

Jobs and Wages

Moreover, one observes that there is no explicit interest in determining an employment policy. "This is, indeed, consistent with the economic program, which is highly recessive. Thus far, there have been isolated strategies, without any order or harmony. The plans and projects for creating about 435,000 jobs, through the executive branch, "contrast with the harsh reality: 140,000 jobs affected by the agricultural crisis, 800 small and medium-sized business firms on the brink of bankruptcy, 100,000 jobs in the construction industry jeopardized, a freeze on jobs in public administration, and the halt in big business investments will unquestionably mean an accelerated rise in unemployment and in the informal economy."

As for wages, one discovers that the package is pursuing decontrol of all sectors of the economy except the wage area. "So it has become the only variable that is deteriorating, while the exchange rate, interest rates, and consumer goods prices are deteriorating unceasingly." [closing quotation mark supplied] The measures for a wage hike issued by the executive branch have been limited and insufficient when confronted with the widespread rise in prices. In the case of this variable, the government has decided in favor of the goal of the traditional IMF prescription calling for a "prudent wage policy that will help to reinforce competitiveness, raise the employment level, and reduce inflationary pressures."

The Fiscal Deficit

The analysis makes the assessment that the fundamental inconsistency in the package is its attempt to reduce the fiscal deficit—something that appears impossible with the increase in public spending and the decline in the gross domestic product. This year's budget shows a deficit of 50 billion bolivares, which can be covered only by an issue of inorganic money, that is, without backing in the economy. "The structural inflexibility of the budget and the impact from the price increase on the cost of the state's operations have been underestimated. Based on the credit sought to date from the National Congress, over half of the 131 million bolivares due to enter the treasury in 1989 will be devoured by the state to cover its own expenses. The remainder will have to be distributed to pay for the foreign debt, the letters of credit, the subsidies, and the budgetary inefficiency. Where the funds for their maintenance in the years ahead will come from is not known."

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* Large Increase in Export of Oil By-Products

33480217d Caracas EL NACIONAL in Spanish
1 Jun 89 p D-7

[Text] The specialized journal, PETROLEUM INTELLIGENCE WEEKLY [PIW], claims that Venezuela has become the largest refiner and vendor of petroleum by-products among the OPEC countries, from which it accrues earnings amounting to about $2.50 per barrel over the market value of its exported crude.

The article in this highly rated publication in the international oil industry cites the progress of the refining business which has improved in recent years, during which Venezuela increased its exports of refined products from 580,000 barrels per day in 1987 to 850,000 in 1988 and at the beginning of this year.

The "PIW" report states, verbatim:

"This is a splendid year for those owning an export refinery, because they are becoming 'cows producing constant, jingling money' for the oil-producing countries, instead of being 'white elephants,' as many had been predicting at the beginning of the 1980's.

"Venezuela, like Saudi Arabia and Kuwait, is earning far more from refining its oil locally than if it were selling it as crude. During 1988 the best refineries in the Middle East earned $3 more per barrel of refined oil. Similarly, Amuay, Venezuela's most sophisticated refinery, spent nearly $2.50 more per barrel last year than the market value of its crude, and made more than $3 per barrel over the average for exports of crude and products.

"Venezuela's refining capacity and its geographical location have enabled the country to take more advantage of the boom that has occurred in the profitability of refined products than its Persian Gulf counterparts can. Exports of products from its domestic refineries and the Isla Refinery, leased to the Curacao Government, have increased nearly 50 percent, reaching 850,000 barrels per day at the end of 1988 and in early 1989. This has made Venezuela the largest vendor of products on the OPEC international level, in comparison with the sale of Venezuelan products totaling 580,000 barrels per day in 1987, and about 700,000 barrels in 1988.

"The strategy of the state enterprise, Venezuelan Petroleum Inc., has been to maximize revenue by making use of the refining flexibility that it has in order to increase sales of products with a high value on the markets. Roughly two-thirds of those exports are light products, and the proximity of the United States makes it a ready, captive market for their sale."